# THE JER... POST

Monday, September 1, 1980

Vol. L, No. 15015


# ...olish strikers win ...emands, sign ...istoric agreement

...ANSK. — Baltic port ...kers and government ...otiators signed a historic ...eement yesterday signalling ...eaceful end to Poland's ...en-week labour crisis. ...kers promised to return to ...k today and begin the task ...rebuilding the shattered ...omy after achieving most ...heir economic and social ...ands.

...winning the 21-point agree... the Polish government agreed ...ncessions unprecedented in a ...munist nation, including ...ependent, self-governing trade ...s" for workers in the port ...s.

"...e will see to it that the new un... always will be independent for ...sake of Poland," strike leader ... Walesa said as he signed the ...ment with First Deputy ...mier Mieczyslaw Jagielski. ...d now I declare the strike ..."

...alesa made his declaration in a ...mony in a brightly lit side room ...e Lenin shipyards, focal point ...he strike of about 200,000 ...kers in the Gdansk area. Then ...went to the adjacent meeting ... to announce the agreement to ...e delegates as thousands more ...kers listening outside over ... speakers raised a cheer.

...e signing ceremony came one ... after the government reached ...agreement with strikers at the ... of Szczecin. Radio Szczecin ...orted that some dockworkers ...e had already begun work.

...trikers elsewhere in Poland had ...dged solidarity with the Gdansk ... up and were expected to follow ... lead.

"This is a success for both sides ... I am sure it is all for the good of ... country," Walesa said. "We are ...g back to work on September 1. We did not obtain everything ... we achieved all we could get in ... current situation," the strike ...der told the workers.

...fter Walesa spoke, the hundreds ...elegates in the conference room ...od up and sang the national ...hem.

...agielski said the talks had been ...ficult but that the two sides had ...gained openly.

"The talks were hard, uphill and ...uiring strength," he said. "We talked as one Pole to another, there were no winners and no losers. The most important thing is the agreement and hard work will guarantee it."

An hour after the agreement was signed, the ceremony was shown on national television.

Jagielski announced that the state prosecutor had been instructed to release from detention all people on a list presented by strikers earlier yesterday. The deputy premier said he had received assurances they would all be freed by noon today.

The list included Jacek Huron, Adam Michnik and other leading dissidents who had been aiding the strike effort.

Jagielski also said there would be no victimization of strikers or their helpers unless they had committed criminal offences.

Signing of the final agreement was delayed for several hours after the strike leaders called for the release of the so-called political prisoners.

Jagielski's announcement they would be freed by today was seen as another major concession by the authorities, following an article published only the previous day in the official party newspaper *Trybuna Ludu* attacking Kuron and Michnik.

Political observers said it was further evidence that the Communist hierarchy's liberal wing, strengthened by last Sunday's government and party shakeup, was now firmly in control.

Among the other points of the agreement:

- **Unions.** An agreement to form "independent, self-governing trade unions," which will have a right to bargain for workers' material and social welfare as long as they do not become involved in politics or interfere with the power of the Communist Party. The new unions will have the right to strike.

The interfactory strike committee from Gdansk will itself become the first of these new unions, and the government has already assigned its headquarters in the suburb of Gdansk-Wrzeszcz.

In a compromise on their demand for fully free trade unions, the strikers accepted that the new un-

(Continued on page 2, col. 2)

**Polish strike leader Lech Walesa is carried on the shoulders of his fellow workers in the Lenin shipyard in Gdansk yesterday after the agreement with the Polish government negotiators was signed.** (UPI telephoto)

# Linowitz: It's up to both sides to talk now

**Post Diplomatic Correspondent**

"The ball is in both courts," U.S. special envoy Sol Linowitz declared here last night at the start of a new round of talks aimed at getting the autonomy negotiations resumed. Plainly his message was that he did not accept Israel's contention that it was now solely up to Egypt to end the deadlock in the suspended negotiations.

In an opening session with Israeli chief negotiator Yosef Burg, both men said they were still not totally deterred by Egyptian President Anwar Sadat's repeated assertions that he does not want the talks to resume until after the U.S. presidential elections. There still seemed to be some slight hope that he would relent and facilitate an earlier resumption, they said.

Linowitz, in his public statement before the meeting, spoke of "seeing how to get back to the negotiating table in a spirit of trust and friendship." But both the Americans and their Israeli interlocutors are being careful to keep expectations low.

Linowitz is to meet with Premier Menahem Begin at the Knesset today, and separately with Foreign Minister Yitzhak Shamir. He has scheduled a second meeting with the premier tomorrow.

Burg was "very happy," he told *The Jerusalem Post*, to have received confirmation both from Linowitz and from Egypt's Foreign Minister Kamal Hassan Ali of his repeated denial that he had promised the U.S. or Egypt that the government would bury the "Jerusalem Law" in committee.

Linowitz told newsmen that the Americans had asked Burg his opinion "which was, as I recall, that it may well not pass because of the short time left in the session... But he certainly did not — to me at any rate — offer assurances" that the bill would be shelved.

Ali, in a telephone interview with *The Post's* Jonathan Wright in Cairo, retracted his charge that Burg broke a promise that the government would do its best to kill

(Continued on page 2, col. 4)

# Mi... ovei... Begin

**By DAVID LANDAU**
**Post Diplomatic Correspondent**

A distinct lack of enthusiasm is building up in the cabinet over the plan to move the Prime Minister's Office and the cabinet chamber to East Jerusalem. Leading ministers are indicating that they want Premier Menahem Begin to consult with cabinet members privately and individually before bringing the issue to the cabinet plenum.

There is a widespread feeling that if the premier did so, he would encounter a good deal of quiet opposition to the move. According to informed observers, he would find that a majority of his ministers are uncomfortable with the move at this time, coming hard on the heels of the international furore over the "Jerusalem Law."

These observers feel that Begin could still back away from the move without loss of face. They point out that he has never committed himself personally and publicly to moving the office: his director-general, Mattityahu Shmuelevitz, has made all the media pronouncements on the subject.

One key minister, Zevulun Hammer (NRP), spoke out publicly at the weekend against the idea. His senior NRP colleague, Yosef Burg, is also understood to prefer a postponement of the move, at least for the time being.

Foreign Minister Yitzhak Shamir was reported last week to "have reservations." His spokesman was instructed to deny this but, significantly, the spokesman would not reply when asked point blank whether the foreign minister supported the move or not.

**Asher Wallfish adds:**

Prime Minister Menahem Begin told his cabinet colleagues yester-... pla... to Jerusalem.

Israel must go out to ... national opinion, the ... minister said, and make ... on Jerusalem as Israel's ca... derstood and accepted.

Begin said that the inform... campaign would dismiss allegations that Israel took unilateral action without justification, in declaring Jerusalem the capital.

He said the world would be told that the Jewish people had just as much right as any other people, and Israel the same right as any other state, to determine where its capital would be, without consulting anybody.

Referring to proposals aired in some countries that Jerusalem should be granted the same sort of independent status alongside Israel that the Vatican had inside Italy, Begin treated his colleagues to a detailed historical dissertation on the reunification of Italy in the 19th century.

Discussing the roles of Garibaldi, Mazzini and Cavour, the great names of the Risorgimento, Begin recalled that Napoleon III did not want the architects of Italian reunification to sweep away the Papal state. Hence the Vatican was left then with considerable domains and powers.

However, Begin explained to his colleagues, this did not prevent Mussolini overturning this arrangement in the 1920s, without a breath of protest from any foreign states, leaving a much shrunken Vatican, in every sphere.

Begin has devoted considerable space to Garibaldi in his writings.

He also found time to relate an anecdote about the mutual interplay between Russia, Austria and Italy in the 19th century, according to a cabinet source, who refused to give details because it might cause a diplomatic incident.

# Arens appointment hinges on meeting with Begin today

**By MARK SEGAL**
**Post Political Correspondent**

TEL AVIV. — Sources close to Prime Minister Menahem Begin indicated last night that the nomination of Knesset Foreign Affairs and Defence Committee chairman Moshe Arens as defence minister was still far from certain.

Arens is to meet with Begin this morning and, the sources said, Begin may decide to retain the defence portfolio, depending upon the outcome of the meeting.

Arens declined to discuss the situation yesterday. But sources close to him said they believe he will pose certain conditions that must be met if he is to accept the post. Those conditions, the sources indicated, would be aimed at delineating Arens' authority if he accepts the portfolio.

Inside Herut, where Arens' rivals were consulting yesterday how best to prevent his elevation in power, supporters of both Agriculture Minister Ariel Sharon and Deputy Defence Minister Mordechai Zipori continued to try to build support for their men.

Zipori's old boss, Ezer Weizman, told friends that if Arens appointment was brought to the Knesset he would vote against the government. Weizman was quoted as saying that Arens might make a perfectly good defence minister.

"But how could he be at peace with his conscience after so adamantly opposing the Camp David agreements, which he would have to implement?" Weizman added.

Meanwhile, a meeting yesterday between Begin and Sharon passed uneventfully without discussion of the defence portfolio. But should Arens turn down Begin's offer today, Sharon's friends said that their man is intent on forcing the issue at the Herut Central committee, in the conviction that he could swing a majority against any available candidate.

Herut Central Committee chairman Avraham Schechterman said last night that, at a meeting with the premier this morning, he would advise Begin that he was not obliged by party regulations to bring the issue before the forum. But if Begin so wished, Schechterman said he would convene the central committee to debate and vote on the issue.

Sharon's aides said that it was their impression that Begin did not want to convene the party forum, since all coalition parties and Likud factions have advised the premier of their receptiveness to the Arens appointment.

# Police seize Ramle documents on Abuhatzeira

**By YORAM BAR**
**Jerusalem Post Reporter**

TEL AVIV. — Investigators of the police fraud department raided the Ramle municipal offices at the beginning of last week and confiscated dozens of documents related to the period when Minister of Religious Affairs Aharon Abuhatzeira served as mayor, sources in the Ramle municipality said.

The sources added that a number of city officials were questioned yesterday by police investigating suspicions of corruption and bribery centring on the minister and three of his senior assistants.

The special investigating team headed by Tat-Nitzav Binyamin Siegal continues to examine the thousands of documents seized from the Religions Ministry two weeks ago.

Senior police sources related that Interior Minister Yosef Burg is constantly kept up to date on the progress of the investigation and expresses an intense interest in all matters pertaining to it.

Burg asks the Inspector-General of Police every few hours for new information, or whenever a news report on persons arrested or questioned comes to his attention.

"Burg has the feeling that things are being hidden from him and he is intent on making it clear to senior police officers that he is not intervening in the investigation, but that by virtue of his position he should be informed of all new developments," the source said.

Police spokesman Nitzav-Mishne Arye Arad said in response to a question that it has not yet been decided whether to call in Abuhatzeira for questioning. A senior source explained that a person of Abuhatzeira's status would be questioned only when clear-cut evidence confirming police suspicions was obtained.

# ...akistan making its own nuclear fuel

...RACHI (AP). — Pakistan has ...cessfully produced nuclear fuel ...m uranium mined in Pakistan, ... chairman of the Pakistan ...omic Energy Commission said ...sterday.

The chairman, Munir Ahmad ...an, said the processed uranium ...s produced at the Chashma ...omic energy plant without ...eign assistance. Pakistan has ...s joined a dozen other countries ...able of producing nuclear fuel, ... said, adding that the fuel has been used at the Karachi nuclear power plant for the past three weeks with complete success.

The plant, Pakistan's only atomic energy installation, has a total capacity of 137 megawatts. It was set up with Canadian technology in the early 1960s. In 1974, however, the Canadians stopped supplying parts and fuel for the plant out of concern that Pakistan was using the material to build an atomic bomb. The plant halted operations as a result, causing frequent blackouts in Karachi.

# New Israeli system—growing cucumbers in air

**By YITZHAK OKED**
**Jerusalem Post Reporter**

...EL AVIV. — Agriculture Minister ...iel Sharon has decided to sub...lise research on a revolutionary ...raeli system of growing plants out ... thin air. The system's developers ...an a one-dunam pilot project ...hich should be commercially ...able since the system is extreme... compact and makes plants ...ature faster.

The new system is being ...veloped by the Adi company ...lled Adi-aeroculture, the system ...lls for growing plants detached ...om any soil or hydroponic ...edium. The roots are fed with ox...gen, moisture and nutrients by ...eans of a unique fogging system. The system, developed by a team ... by Dr. Yitzhak Nir, enables the ...ant to receive a superior mix of ...ygen and water compared to conventional growth systems in soil or water. The supply of "fog-cocktail" is monitored by an electronic control system.

Aeroculture has been successfully tested with various cuttings and plants including citrus, avocado, carnations, chrysanthemums, cucumbers and a wide variety of foliage pot plants.

According to the developers the system gives higher yields; brings about huge economies in both fertilizers and water, since the nutrient solution is recycled; saves space since modular benches holding the plants can be stacked one above the other; and saves money for the farmer since daily maintenance is controlled by a simple automated system.

The developers claim that in areas where soil and water are in short supply Aeroculture provides an economical answer to the problem of growing vegetables and other crops. Growing saplings with soil-less rooting by the Aeroculture system is suitable for exports, the developers say, because it makes it easy to meet international hygienic requirements. Freight is also much cheaper because no soil has to be transported with the plant.

Adi's lawyer, Shlomo Avni, told *The Jerusalem Post* that the office of the Chief Scientist in the Prime Minister's bureau and the Ministry of Industry and Trade have invested millions of pounds in the new system. Sharon has decided to allocate IS1m. to the project.

But these large investments in a private company have raised questions in the agricultural scientific community — especially since the scientific research institutes, including the agriculture ministry's agricultural research organization, are short of money. A leading agricultural scientist said the system should have been tested by a scientific institution, before such large sums were invested.

Agriculture Ministry spokesman Eli Silver said the system is patented and that by providing government funds to help its development the know-how will eventually become available to the agricultural community in Israel.

The *Post* learned that the Hebrew University's faculty of agriculture had asked the Agriculture Ministry to experiment with the system at their Rehovot campus, but have not yet received any answer.

Zelinger and Son, a large citrus cultivation company, owns half of Adi's shares. The other 50 per cent is divided between four other Israeli partners — one of whom is Nir, an Agriculture Ministry employee. Nir works as an extension service officer who trains farmers.

A source close to the Agriculture Ministry said that Dr. Nir could not have influenced the ministry to help subsidize his project.

To our readers,

The continuing depreciation of the Israel shekel, coupled with the increased cost of services, utilities, and both local and imported printing supplies and newsprint, compel us to raise the cost of *The Jerusalem Post*.

From today the daily paper will cost IS2.50 (IL25), the Monday paper with the 8-page *New York Times* supplement will be IS3 (IL30), and the Friday paper with the weekend magazine will be IS3.50 (IL35).

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All prices include 12% VAT.

The Editors.

# Academics' employment picture grim

**Jerusalem Post Reporter**

Three out of every four future university graduates will be unemployed if the government does not take action on a national scale to plan new jobs for them, Labour Minister Israel Katz warned the cabinet yesterday.

The cabinet agreed that a public committee be appointed to lay down policy which will assure more job opprotunities for high school and university graduates.

Prime Minister Menahem Begin will name the members of the committee from a list of candidates drawn up by Katz, Education Minister Zevulun Hammer, Housing Minister David Levy and Transport Minister Haim Landau. The committee will be asked to report to the cabinet in six months.

Katz said the universities are turning out 8,000 graduates yearly, and the post-secondary institutions 11,000 more.


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# ...ındş... ...chools

back to ... several ... — mainly ...e parents ... adequate ...etary dif-

...cted to be ... of local ...e country's ... they are not ...y from the ... the schools

...abinet meeting. ...ation Minister ...r insisted that his ... its budget by 9 per ...bandoning important

...t schools will do more ... to bring pupils in contact ...eir environments and com...es. This will involve learning ... hospitals, municipal pro-..., slum clearance, industry and ...ogy.

All the four schools in the Givat Olga suburb of Hadera will be on strike this morning as parents of 1,300 children protest what they call grossly inadequate classrooms and facilities. The parents said the schools will not open until they receive sufficient assurances that the schools will b... soon.

At Jaffa's Geulim scho... plan to disrupt studies bec... ...e principal whom they wanted to be dismissed last year has not yet been replaced, despite promises from the municipality and Education Ministry. At Jaffa's Giv'at Hatmarim school parents are protesting a collapsed roof which has not been repaired.

Parents of first-graders who were supposed to go to the Ramat Aviv Gimel school object to municipal plans to move their children in the Neve Avivim school. The parents plan to set up temporary classrooms for the first-graders and to disrupt studies in all classes if they are thrown out of the school.

The Ayalon school at Nahlat Yitzhak is dilapidated and its shelters are neglected, according to parents who plan an emergency meeting at the school today to decide what to do.

Parents from the well-to-do area usually served by the Herzliya Tzeira Darom school said yesterday they "will not be quiet" over an integration programme which involves busing first and second-graders to the Ben-Zvi school in poorer Neve Yisrael.

The school year is also starting with a three-day traffic safety campaign. Some of the country's ... have promised to help ...ren cross roads this morning ...d Egged and Dan drivers armed with megaphones will blare out safety instructions around the main cities' thoroughfares.

Teachers have been instructed to pay attention to the Education Ministry's ruling that children are to carry to school satchels no heavier than 10 per cent of their body weight.

In past years, parents have complained that their children have been required to carry ridiculously heavy satchels stuffed with all their textbooks and notebooks.

An Education Ministry spokesman also announced the coming year's school holidays:

- **Rosh Hashana — Wednesday to Friday, September 10 to 12.**
- **Yom Kippur — Friday, September 19.**
- **Succot — Wednesday to Friday, September 24 to October 10.**
- **Hanukka — Thursday to Wednesday, December 4 to 10.**
- **Purim — Thursday to Friday, March 19 to 20.**
- **Pessah — Friday to Sunday, April 10 to 26.**
- **Independence Day — Thursday, May 7.**
- **Lag Ba'omer — Friday, May 22.**
- **Shavu'ot — Sunday to Tuesday, June 7 to 9.**
- **Summer holiday — July 1.**

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## THE WEATHER

| | Yesterday's Humidity | Yesterday's Min-Max | Today's Max |
|---|---|---|---|
| Jerusalem | 48 | 17—30 | 31 |
| Golan | 33 | 18—32 | 32 |
| Nahariya | 63 | 20—30 | 30 |
| Safad | 51 | 20—30 | 30 |
| Haifa Port | 72 | 24—29 | 30 |
| Tiberias | 62 | 22—36 | 36 |
| Nazareth | — | 20— | 31 |
| Afula | 44 | 21—34 | 35 |
| Samaria | 54 | 18—29 | 30 |
| Tel Aviv | 66 | 22—30 | 30 |
| B-G Airport | 53 | 21—31 | 32 |
| Jericho | 66 | 25—38 | 38 |
| Gaza | 69 | 22—28 | 30 |
| Beersheba | 42 | 21—33 | 33 |
| Eilat | 29 | 27—38 | 38 |
| Tiran Straits | 31 | 26—36 | 36 |

## SOCIAL & PERSONAL

Professor David Horan will become deputy rector of the Tel Aviv University. He was chosen by the university senate to succeed Professor Ron Shoval, whose term of office is now ending.

## Birth

ARBIB. — A daughter, to Walter and Edie, sister to Steven, granddaughter to Yolanda, on August 31, 1980, at Beilinson Hospital.

## Israeli reporter denies he spoke to *Washington Star*

Yehuda Litani, the West Bank correspondent for *Ha'aretz*, denies ever having spoken to *Washington Star* reporter Judy Bacharach, who recently visited Israel.

Bacharach was here to corroborate the *Star's* reports that the chief of the General Security Service resigned in protest of political intervention by Prime Minister Begin in the investigation of the car bomb attacks on three West Bank mayors.

Sources in Washington have named Litani as the unidentified Israeli journalist, quoted in one of Bacharach's reports, who allegedly had a story similar to the *Star's* killed by the military censor.

## Egyptian expelled after illegal entry

NEOT SINAI (Itim). — An Egyptian citizen who tried to enter Israel without a passport or a visa ten days ago was expelled from the country yesterday. The Ashkelon Magistrates Court issued an expulsion order.

Akal Abdul Jan Ahmed, 41, told the court that he came to Israel because he heard that there were jobs. He pleaded to be allowed to remain in Israel, saying that he had no way to support his family in Egypt. He said that jobs are impossible to find and that 50 million Egyptians are going hungry.

Ahimed was returned to Egypt at the Neot Sinai-El Arish border crossing.

## Five charged with Beit Halohem fraud case

TEL AVIV (Itim). — Five persons were indicted yesterday at the District Court here in a second round of charges involving the protracted fraud scandal about the construction of the Beit Halohem centre in Haifa.

The five are engineers Natan Pik, 63, of Tel Aviv, Saki Rosenhaft, 58, of Haifa; contractors Shalom Aviel, 51, and Uri Levsovsky, 44, and Shlomo Lador, 56, a former chairman of the War Invalids Association.

Levsovsky, Pik and Israel Giacomo, of the Haifa Municipality, had previously been acquitted of charges of fraud and conspiracy involving the contruction of the centre.

In the charges filed yesterday, the five men are accused of defrauding the War Invalids Association with the connivance of Lador, who was then the association chairman.

Rosenhaft and Aviel are accused of conspiring to defraud the association by decreasing the amount of steel which should have been used for building the Yad Lebanim memorial and Beit Halohem recreation centre in the Haifa complex.

According to the prosecution, Pik knew of the fraud and covered up for Rosenhaft and Aviel. Several other instances in which the association was allegedly billed for more materials then were actually used to build the centre are listed in the charge sheet.

# Bonn vows closer contacts after Kimche trip

**Post Diplomatic Correspondent**

Germany has agreed to maintain closer and more frequent high-level contacts with Israel — especially before taking new steps in its Middle East policy.

Israeli officials have been gratified to see this German decision reported in leading newspapers there in the wake of a visit to Bonn last week by Foreign Ministry director-general David Kimche.

Kimche's trip — his first sally abroad since assuming the director-generalship — immediately preceded a visit to Bonn by Egyptian Vice-President Hosni Mubarak, and the German government and media were able to address themselves to the two sides' positions on the stalled autonomy talks.

Kimche met with Foreign Minister Hans-Dietrich Genscher and his senior officials, and gave several interviews (he speaks a fluent German).

His basic arguments, in official meetings and media appearances, were:

- Western Europe is misguided to believe that a solution to the Israel-Arab conflict would necessarily result in stability in the area (and that therefore a solution must be pushed through with the participation of the Palestine Liberation Organization).

The region is riven with many other open or smouldering conflicts, some of them inter-Arab and others involving the Arabs and other ethnic groupings. Much as Israel wants its own conflict resolved — and welcomes constructive help in resolving it — it is not prepared to pay the price of a PLO-oriented solution to provide the West with an illusory prospect of regional stability.

- The prospect of a Western-Islamic front against Soviet expansionism, though superficially desirable, is also not to be attained at Israel's expense — i.e. by the imposition of an Israel-PLO "peace."

Israel is still adamant in its refusal to countenance the PLO as a negotiating partner, and therefore the EC's Venice Document, which called for the PLO to have a role in the peace process, is impractical. Worse, Kimche contended, the document effectively sought to kill the Camp David process, which is still alive and holds out the hope of progress.

The Venice formula could only lead to deadlock, Kimche warned his German hosts, and therefore to dangerous escalation.

He aired Israel's complaints that there had not been sufficient consultation between Jerusalem and Bonn before the Venice Document was approved by EC leaders in June.

As a result, there will be more intense consultations in the future, beginning with a meeting between Foreign Ministers Genscher and Shamir in New York during the UN General Assembly.

# Arafat: 'Moderation' useless, it's time for military action

**Jerusalem Post Correspondent**

Yasser Arafat, discouraged by efforts to achieve full diplomatic recognition from the Europeans, is abandoning his 'moderate' image and will return to the military option.

In an interview in *Newsweek* magazine, Arafat said that the Venice decision to recognize a PLO role in the peace process was buried by American pressure on the EC.

Arafat called Prime Minister Menahem Begin "our best ally." The PLO leader said that "We hope that he will increase his aggression and his terrorism so that the whole world will discover the ugly face of this Israeli military junta."

Referring to Saudi King Khaled's call for a *jihad* (holy war) against Israel, Arafat said that he is waiting to see if the words will be followed by action. Arafat said that this provides further evidence that "the so-called Arab moderation will not last long."

Despite this, said Arafat, Egyptian President Anwar Sadat will never entirely cut off the peace talks with Israel. "I know him very well," said the PLO chief. "I know he will not."

Questioned about King Hussein's willingness to renew terrorist activity from Jordan, Arafat replied that he had "not yet" reached an agreement. "Our relations are very good but an agreement takes time," said Arafat.

Arafat described the "war of attrition" which has developed between Israel and the PLO as potentially exceeding in intensity the 1978 Litani campaign and the recent attacks on the Beaufort Castle.

He said that although the terrorists "might receive some hammer strikes," what may be needed in the Arab world is a "military shock."

*Newsweek* reported that, despite Arafat's denials, highly-placed sources said that the PLO head had presented the Russians with a long "arms shopping list" during his visit to Moscow for the Olympic Games.

Arafat called the Jerusalem Bill an "electric shock for the Arabs — Christians and Moslems alike," and praised Holland's decision to move its embassy from Jerusalem to Tel Aviv. He characterized the embassy transfers as "a signal that those countries understand the justice of the Palestinian cause."

## LINOWITZ

(Continued from page one)

the Jerusalem Law in its early stages.

Ali said Burg had not given a firm promise to quash the bill. He had merely undertaken to bring the matter up with the cabinet as soon as he returned from Washington to Israel after talks with Ali in early July.

Ali told the Egyptian parliament's Foreign, Arab and Security Affairs Committee on Saturday that Burg had made a wide range of pledges in Washington and it was on that basis alone that Egypt agreed to resume the autonomy talks in mid-July.

In the cabinet yesterday, Begin said he interpreted Sadat's third letter as opposing an early resumption of the autonomy talks and favouring a three-say summit with U.S. President Jimmy Carter, after the presidential elections.

However, a number of ministers from different parties said after the cabinet session that they saw Sadat's third letter in a more positive light than Begin.

These ministers said that Sadat was apparently hinting he wanted a two-way summit with Begin, before the U.S. presidential elections. They pointed to Sadat's phrase about the need for the two countries to iron out their differences.

One of these ministers told *The Post*: "I don't see why the prime minister takes Sadat's words in such a negative light."

Begin read out a Hebrew translation of Sadat's letter, and the cabinet decided that the Ministerial Autonomy Committee would meet to help him draft his reply.

Foreign Minister Yitzhak Shamir said the meeting before the weekend in Cairo between Sadat and Ambassador Eliahu Ben-Elissar was "pleasant, positive and friendly," but he would add no details.

## POLISH STRIKERS WIN

(Continued from page one)

ions did not challenge the party's leading role in the nation.

- **Political Rights.** The government agreed to reduce censorship and preserve basic freedoms of speech and press. Publication of full reports of the strike outcome is assured.
- **Economic Benefits.** Strikers agreed to monthly wage increases of 500 to 1,000 zloty ($17 to $33), with the biggest raises going to the lowest-paid workers, and with guarantees of future raises to match inflation. The strikers were also guaranteed full pay for the time they were on strike, and the government said it would stabilize meat prices and increase meat supplies.

The price of meat was the issue that triggered the Gdansk walkout and more than 150 other strikes in Poland, dating back to July 1, when the government removed subsidies and hiked the price of meat by 40 to 60 per cent overnight.

In Geneva, an international trade union leader said last night his organization had channelled about $120,000 to the striking Polish workers. Herman Rebhan, general secretary of the International Metalworkers Federation, said the money was a symbolic gift from U.S., French and West German trade unions..

In Moscow, the Communist Party newspaper *Pravda* accused Polish strike leaders of links with "subversive centres abroad," but made no comment on the accord reached with the Polish government.

(Story — Page 4)

## Three upsets in U.S. Open tennis

NEW YORK (UPI). — John McEnroe and Martina Navratilova advanced to the fourth round of the U.S. Open tennis championships Sunday, but three other seeded players were upset.

McEnroe, the defending champion beat Rick Meyer, 6-1, 6-1, 4-6, 6-2, while Navratilova defeated Lindsay Morse 6-4, 6-1.

McEnroe next will meet Frenchman Pascal Portes, who effected one of the afternoon's three upsets with a 6-3, 2-6, 7-6, 6-3 victory over No. 11 Victor Amaya.

The other two seeds to fall were women, No. 5 Wendy Turnbull and No. 12 Virginia Wade.

## Bomb explodes on Jaffa Rd.

A bomb exploded in Jerusalem shortly before noon near Binyan Ha'amudim on Jaffa Road. The charge was placed in a sewer near the No. 6 bus stop. There were no injuries and no damage was caused.

Police closed the area and searched it for 15 minutes, but no other bombs were discovered. (Itim)

**PROTEST.** — Members of the Telephone Consumers Association demonstrated on Tel Aviv's Derech Petah Tikva yesterday to protest against the growing list of persons who are waiting for a telephone to be installed in their homes.

Yosef T..., (right), chairman of the Russian Immigrants Association, confer... ...an aide at the Haifa absorption centre. (D. R...mblum)

# Immigrant strike talks deadlocked

By MARY HIRSCHFELD
Jerusalem Post Reporter

HAIFA. — Government officials will not be able to settle the immigrants' strike without the intervention of the Russian immigrants' organization.

Strike representatives of 15 absorption centres throughout the country met here yesterday.

They announced that "even if the government undertakes to implement the recommendations to be presented by the special Knesset subcommittee, we will not stop the strike unless they also undertake to officially recognize the organization as our legitimate representatives."

The joint Jewish Agency-government body on aliya and absorption is convening at 5.00 p.m. today to study the situation in absorption centres. A first report by a subcommittee of the Knesset Aliya Absorption Committee in charge of probing the problems in Haifa will be heard.

The mediations seem to be approaching a deadlock as committee chairman Ronnie Milo announced that he will not start the investigation unless the strike is suspended. Strikers answered that they will stay put, until the subcommittee starts working.

Residents in the Carmiel, Givat Olga, or Akiva and Hadera absorption centres claimed yesterday that there is no truth in the government's allegations that they had been offered housing but refused.

Some immigrants, and the stories they told:

- Grigory Sheimish, a 26-year-old gynaecologist, married with one daughter. He arrived about five months ago and has just completed the ulpan in Givat Olga. He said that he went to the Health Ministry's office in Tel Aviv to ask for a job, "anywhere in the country."

He was told that he was badly needed in the North and the family would be granted housing in Acre or Nahariya. The Lower Galilee local council chairman informed him that he should try the Nahariya government hospital.

At the interview, the hospital director laughed: "A job? Here? I have none."

Sheimish further claimed that he went looking for a flat in Acre and Nahariya and was told there was nothing available.

Today, he is studying in a special re-training course in Beersheba while his wife is registered for a Hebrew ulpan — in Haifa.

- Arkady Stein, 30, textile engineer, seven months in the country, married with one daughter. The family has been staying in the Hadera absorption centre where they finished the ulpan. The wife worked in Tel Av... ...nd when they heard they could ... flat in Acre, she asked to be tr...ferred to the company's branch ... Haifa.

The family left H...era and when they arrived in Ac..., they heard... there were no flats ...vailable in the town — or in Naha...a, Haifa or its suburbs. They have been living for weeks in a rented ...partment, the husband is out of work, and the money rapidly va...shing.

- Hirsh Gil, 60, re...red. His son is a gym teacher in Ca...miel, where the whole family has ...een living for 10 months. Neither t... father nor the son received hous...g because they were told "the... are no flats available in Carm...el."

On the other h...d, two families who had been liv...g in the Hadera absorption centre received housing in Carmiel. No r...sons given.

Two families w...o had been living in the Atlit a...sorption centre received housi...g in Beersheba, while families ...n the Beersheba centres are tol... that there are no flats available i... the city.

"There is no comprehensive approach towards absorption, no coordination, no logic," summed up Yosef Tekoah, president of the Russian immigrants' organization.

Meanwhile Moscow is using the immigrants' strike for propaganda purposes. C...verage of the strike and the imm...grants' problems was aired on Mo...cow television on Friday night.

## Immigrant's daughter, ex-wife speak out

# Suicide's family: Leave him in peace

By MARY HIRSCHFELD
Jerusalem Post Reporter

HAIFA. — The ex-wife and daughter of Arkady Zitzerman, the Russian immigrant who committed suicide here last month, appealed yesterday to "leave him in peace." Too much has already been said and written about a man who cannot speak for himself any longer, they told *The Jerusalem Post*. "It's about time to stop it all."

Zitzerman's suicide sparked off the strike staged in Haifa absorption centres to protest the lack of adequate housing and jobs for immigrants. He jumped off the fifth floor of the Abba Khoushy absorption centre and after his death there were many widely different reports of the cirumstances which led him to kill himself.

"At first we thought we'd better keep out of all the publicity, but we could not keep silent," 20-year-old Ina Zitzerman said. "My father was used and vilified to an unbelievable extent after his death. But we do not want to set the record straight nor to start our own quarrel. We just want to be left in peace."

But a report published a few days ago in the *Nasha Strana* Russian-language newspaper prompted Mira and Ina Zitzerman to speak up. Quoting from *The Jerusalem Post*, *Nasha Strana* said Zitzerman was an emotionally unstable "man of means who had even bought a flat for his former wife and had been offered 12 different positions and refused them all. But the paper omitted the rest of *The Post's* report, which stressed that Zitzerman's friends at the Abba Khoushy absorption centre disputed this description which was issued by Jewish Agency and Absorption Ministry officials.

"My father was a high-spirited man who loved life," Ina said. "He was powerfully built and had no psychological or emotional problems in Russia. He was full of hopes about Israel, thinking that his life would change here."

Mira and Arkady Zitzerman were married in their native city, Baku, in 1958 but separated about 10 years later. They were officially divorced in 1976 and Zitzerman immigrated to Israel early in 1978. His ex-wife and daughter followed about six months later, but "not because of him," the daughter said. "My mother has an only brother and other relatives here and we thought that Israel was the right place for us."

After arriving in Israel, they met Zitzerman and found him cheerful and full of vitality. "He was deep into learning Hebrew and had a whole pile of copybooks in his room which he used to fill with grammar exercises," Ina said. But Zitzerman's good spirits gradually faded away. "He used to call or visit us once a mo...th — sometimes more, and starte... complaining that he had to str...ggle too much, that he still had no job or a place to live," his daught...er said.

"My m...ther tried to help him, saying th...t he should consider the possibilit... of doing a different type of work," she said. Zitzerman was a mechani...al engineer. Mira Zitzerman, a ...octor, couldn't find any work in ...er profession and is now employe... as a lab technician in a Netanya branch of Kupat Holim. "But Zi...zerman was proud of his professi...n and he could not face the though... of having to give it up," Ina Zitzerm...an said.

Zitze...man spent his last two weeks ...with his former wife and daugh...er in Netanya. They say he did no... talk about leaving the country or ...about suicide, though he was "very ...depressed."

The... also said that reports that Zitze...man had attacked the absorption ...entre's director with a chair were ...absurd. "H was so weak and ...l he would have barely been able ...to raise the chair from the floo... let alone threaten somebody with ...it," his daughter said.

S...e claimed his suicide was "m...st probably triggered" by the ce...re's secretary, who told him she ...would call the police to take him aw...y and locked the building's do...rs so that he could not escape. H...ving a traditional Russian fear o... the police, his daughter said he p...obably felt like a caged rat.

## Vote on Hurvitz deputy postponed

**Jerusalem Post Reporter**

Finance Minister Yigael Hurvitz asked the cabinet yesterday for approval to name Yigal Cohen-Orgad (Likud-Herut) as his deputy finance minister, but his predecessor, Deputy Prime Minister Simha Ehrlich, interfered with Hurvitz's plans.

Cohen-Orgad, one of the few trained and experienced economists in the Likud camp, happens to share Hurvitz's hawkish political views on most issues.

Ehrlich told his colleagues that since he needed some time to ponder the proposed nomination, and since time was short because he was travelling abroad, it was advisable to postpone the discussion.

Prime Minister Menahem Begin, who saw no reason to offend Ehrlich, suggested that the cabinet take a decision on Cohen-Orgad in a fortnight's time.

One of the more obvious reasons for Ehrlich's procrastination is the grumbling inside the Liberal wing of the Likud that it is under-represented in top positions.

Ehrlich himself, who started out in the finance ministry with Liberal Yehezkel Flomin as deputy minister, lost Flomin when the deputy minister found he could no... adjust to his boss's methods.

**SPORT AUTHORITY.** — The director of the Sport Authority in the Education Ministry, Yariv Oren, has taken leave to study for a year at the National Defence College. He will be replaced by his deputy, Uri Afek.

## ...ban: World leaders ...ope for Labour return

**Jerusalem Post Correspondent**

LONDON. — Abba Eban, who is on a private visit here, has met with British leaders, including Foreign Minister Lord Carrington.

Eban said that in his talks with political leaders throughout the world, he has been made aware of their hope that the Labour Party would soon be restored to power.

During his stay in London, Eban is researching his next book, *The New Diplomacy*, and working on the scripts for an American television series on Judaism.

# Thorn's Mideast mission stymied by lack of plane

By DAVID LANDAU
Post Diplomatic Correspondent

It is EC leader Gaston Thorn's lack of a private airplane for his Middle East shuttling that is making it so difficult for him and Israel to fix a date for his second visit here.

Thorn is working on a tight schedule in his several capacities as president of the EC Council of Ministers, foreign minister of Luxembourg, leading light in the Liberal International, and Middle East fact-finder. Yet he must meet all his commitments by flying from place to place on scheduled airlines.

Israeli observers have expressed frank wonderment that the EC has not seen fit to put a special plane at Thorn's disposal for the duration of his mission to the area.

Thorn had suggested that he arrive here yesterday for a three-day visit, partly in order to avail himself of the Nefertiti Airlines' Sunday flight from Cairo to Tel Aviv. But Israel replied that with U.S. special envoy Sol Linowitz here, Premier Menahem Begin and Foreign Minister Yitzhak Shamir would not be able to give him as much time as they would wish.

The U.S., too, had thought it inappropriate for the Linowitz and Thorn visits to coincide.

Israel suggested, therefore, that he come a day or two later, but, chiefly because of his flight-scheduling problem, the EC emissary had to demur. He must be in Berlin on Wednesday morning to attend a Liberal International session there.

Foreign Minister Shamir told the cabinet yesterday that Israel's ambassador to the EC, Yitzhak Minervi, would be seeing Thorn in Brussels tomorrow to try to fix a new date, probably after Rosh Hashana. (This will apparently mean that Thorn will prepare his interim report to the EC council of ministers before making his second visit here, a visit during which he intends to meet with West Bank and Gaza leaders.)

**Shamir reiterated Israel's firm denial of an allegation — attributed by news agencies to Thorn himself — that the Israel government is putting difficulties in the way of his meeting with West Bank and Gaza leaders. A senior government official said last night that if Thorn had indeed made this allegation, Israel would be "very surprised indeed."**

The Dutch charge d'affaires, Reijnier Flaes, who represents Luxembourg here, said last night that in his contacts with the Israel government on Thorn's behalf, the problem of arranging the visit had been purely one of dates. The conclusions that the Luxembourg government had apparently drawn from the delay were not his (the charge's) responsibility.

As far as Flaes knew, the Israeli government had made it clear that there were no objections in principle to Thorn's meeting with Palestinian leaders here. (Flaes noted, though, that most of the contacts surrounding the visit had been proceeding these past few days through Brussels.)

We mourn the loss of
our very dear friend

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Our heartfelt condolences
to Chana and the entire family.

Jean and Sam Rothberg

In deep sorrow, we announce the passing
of our beloved husband, father and grandfather

**Captain Jonny Turtel**

The time of the funeral will be announced later.

Deeply mourned by
Wife, Bertie
Daughter and son-in-law, Hanna and Hanan Tal
Grandchildren, Gai and Asaf

هكذا من الأصل

Ali and Aisha Abu Ta'assy they will fight the order to vacate their home adjacent to the new Prime Minister's Office in East Jerusalem. (Zoom 77 and Harari)

# Controlled rents up 90% next month

By SHLOMO MAOZ
Jerusalem Post Reporter

Controlled rents will go up by 90 per cent in October in accordance with a decision of the economic cabinet reached yesterday. The actual rise, however, will be 95 per cent because existing legislation already provides for a 5 per cent increase in October.

At the meeting, Industry, Trade and Tourism Minister Gideon Patt demanded a revision of the cabinet's decision to spread the rent increases gradually. A gradual rise would have moderated the increase in rents for tenants and given the landlords less.

Patt has long been a vocal spokesman for the landlords, and one of his first acts as minister of housing and construction was to appoint a committee to review the prevailing level of rents on protected flats and business premises. At the time, Patt came out strongly against the existing tenant protection legislation, and was reported to have called it "a crime."

The government yesterday reached a compromise between the previous decisions of the economic cabinet and Patt's demands. The compromise, proposed by Prime Minister Menahem Begin, was that controlled rents would be raised by 206 per cent, but that the raise would be spread over 15 months instead of 18, and that the major part of the raise would become effective from October.

The 206 per cent rise in controlled rents is based on the new law, which stipulates that rents will be increased by at least 70 per cent of the rate of inflation, but never by more than the full rate of inflation in any six-month period.

The October rise is 70 per cent of the rate of inflation, and the next increase, due in April 1981, will be 58 per cent. After that, there will be another 58 per cent increase in January 1982. These increases are calculated on the basis of the rent in force before the new legislation took effect.

Patt argued that the landlords are being discriminated against because inflation erodes the rents they get and that they should be compensated. He pointed out that the government had raised the rents on the flats it owns by 145 per cent, so that an equal adjustment in privately-owned flats was justified.

Housing and Construction Minister David Levy asked Patt what he had done for the landlords when he was responsible for that office and had the power to protect them.

Finance Minister Yigael Hurvitz said that the injustice done to landlords could not be corrected overnight, and that the rent increases must therefore be spread out.

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## Weizman in Egypt with his family

CAIRO (AP). — Former defence minister Ezer Weizman arrived in Egypt yesterday for a week-long private visit during which he is to tour pharaonic sites and pay a courtesy call on President Anwar Sadat.

He said upon arrival that his visit was proof of his "sincere belief" that relations between Egypt and Israel would improve and that the current political impasse will be solved.

Weizman arrived on a commercial flight from Israel with his wife Re'uma and his son Shaul. Israel Ambassador Eliahu Ben-Elissar was on the same flight returning to his post here after briefing the government on his talk with Sadat last week. He declined to make any statements.

## Thugs beat man—crowd just watches

TEL AVIV (Itim). — Bystanders in Jaffa on Saturday watched as a man was brutally beaten while attempting to hold a man caught stealing from his car.

Asher Zis, 42, was in Jaffa visiting someone at Donolo Hospital. When he returned to his car from the visit he discovered a man aged about 20 and a youth aged about 14 attempting to remove the battery from his car.

The youth fled but Zis managed to hold the other. For 20 minutes he pleaded with passers-by to call the police, but no one came to his aid.

Meanwhile, the youth returned in the company of about six toughs who beat Zis until he released the man he was holding. Again his plight was ignored and no one who witnessed the attack called the police.

Later, after his injuries were treated, Zis joined the police in a search of the area. Three suspects were detained for questioning.

## Sharp rise in violent crime directed against the elderly

By YORAM BAR
Jerusalem Post Reporter

TEL AVIV. — Robberies in the homes of old people, many of which have included violent assaults and/or the death of the aged victims, have sharply increased since the beginning of the year, according to a report prepared at national police headquarters.

According to reports of severe crimes throughout the country, 45 elderly people have been the victims of robberies with violence since the beginning of the year. Thirty-one of them were women.

"The increase of crimes against old people has put senior citizens in a state of terror, and they now live in fear and lack of confidence," according to the report.

Most robberies occurred in the victims' homes. Half of them took place at night. In 17 cases the victims were bound with ropes that had been prepared in advance. In some cases the victims were partially stripped. In almost all cases the robbery was carefully planned and carried out by two or more criminals.

Of 236 robberies committed between January-July, 13.5 per cent were in the homes of senior citizens. But while the police have captured the perpetrators of 48 per cent of the robberies in general, they have captured those responsible for only 21.3 per cent of the robberies in which the victims were elderly.

In most cases, the robberies of old people were committed by persons pretending to be looking for an address. When the door was opened, the victim was attacked. In most cases the robbers chose their victim in advance.

Police Inspector General Rav-Nitzav Herzl Shafir, who received the report at the beginning of August, has ordered an extensive information campaign among senior citizens. Local authorities, public institutions, government ministries and volunteer groups are to take part in the campaign, in addition to the police.

The goal of the campaign is to increase the senior citizens' awareness of danger, and to teach them ways to reduce the possibility of their becoming victims of attacks or burglary.

## IL cheques might not be obsolete

Post Economic Reporter

The Bank of Israel is currently weighing proposals to come to the aid of companies and public organizations holding large quantities of cheques printed for use only with Israeli pounds.

These cheques will no longer be valid after September 30, when the shekel becomes the exclusive currency. The Bank of Israel is concerned that the money spent on printing these cheques will be wasted if no way to utilize them is found.

After September 30 only cheques with the letter *shin* printed on them will be valid. Banks will not be obliged to accept cheques drawn on Israeli pounds.

The solutions being considered by the Bank of Israel, such as printing the letter *shin* over the lira marking on the old cheques, will in any case not be implemented for several months. An effective solution to the problem must eliminate the possibility of misunderstandings or forgeries.

## No objection to families living near Begin's new office

Jerusalem Post Reporter

The Prime Minister's Office had nothing to do with eviction "warning letters" sent to families living in houses neighbouring the prime minister's new offices in East Jerusalem, the director-general of the Prime Minister's Office Mattityahu Shmuelevitz, said yesterday. He said no-one in the office knew of the letter, and that he saw "no objection to their remaining as neighbours."

A spokesman for the Israel Lands Administration said last night that the Jerusalem District legal adviser had issued "warning letters" as a means of pressure during negotiations with three families whose homes border Prime Minister Menahem Begin's new offices in East Jerusalem.

"The letters were intended as pressure on the families who have been negotiating with the administration for four years about compensation," said Arye Shapira.

Shapira said that the administration "had not considered the timing" of their actions, which had been dictated merely by a desire to complete the process of expropriation. The land was expropriated in 1968.

## Two suspects held in Jaffa bomb probe

TEL AVIV (Itim). — Two men suspected of complicity in placing the bomb which killed Esther and Amnon Raz in a Jaffa street two weeks ago were yesterday remanded in custody for four days by a magistrate here.

Six passersby and the Raz couple's two-year-old daughter were injured when the booby-trapped bomb exploded in their car. Ziad Asfour, 29, and Diab Akal, 19 were ordered held in a police lock-up after police showed the magistrate classified intelligence information which allegedly linked the two to the bombing.

## Prof. Sheshinsky's post

Eytan Sheshinsky, whose Israel TV interview on the Mediterranean — Dead Sea canal was quoted in yesterday's issue, is professor at the Hebrew University, Jerusalem, and not as given.

## Hebrew book club launched

Jerusalem Post Reporter

TEL AVIV. — A home-distribution book and record club established by German and Israeli investors was inaugurated yesterday. The West German publishing giant, Bertelsmann, has just become the majority stockholder in the IS20m. project, with minority shares held by Clal and *Yediot Aharonot*.

Door-to-door selling operations began today in the Dan region.

At a press conference to inaugurate the "Israeli Culture Club," director-general Raphael Kotzar said he eventually hopes to sign 130,000 members. He predicted the venture would be in the black by its third year.

For an initial IS17 registration fee, club members will receive a quarterly catalogue listing a yearly pick of 100 Hebrew-language books and 50 records. To remain in the club, a member must purchase four books annually, Kotzar said.

"Our sales people will reach large neighbourhoods and towns where the supply of books is either irregular or non-existent," he said.

The books are to be sold at 15 to 20 per cent less than bookstore price, Kotzar said. Run off in special hard cover editions, the books will be of "the highest technical quality ever seen in the country," he added.

The Bertelsmann publishing house (which owns 51 per cent of the club) will supply technical and sales know-how. The German firm has set up similar ventures in 24 countries, selling books to 17 million readers, Kotzar said.

## Arlosoroff to play in 3 Italian tennis meets

By JACK LEON
Post Sports Reporter

TEL AVIV. — Israel's Davis Cup tennis player Haim Arlosoroff, 22, left for Rome over the weekend to compete in three ATP (Association of Tennis Professionals) tournaments in Italy.

Arlosoroff made a rapid rise up the ATP's world singles rankings during the spring and summer, climbing from 460th to 290th place among the over 1,000 players listed in the standings.

Arlosoroff collected 18 singles points — to bring his total to 22 — during three and a half months of successful competition on the association's Belgian, Norwegian and Swiss satellite circuits.

## Begin tells cabinet about 'Good Morning Israel' idea

Jerusalem Post Reporter

The "Good Morning Israel" television programme suggested jointly by the Army Radio network and educational television is not related to the idea of a second channel, the cabinet was assured yesterday.

The cabinet will soon discuss the proposals for a second TV station.

Replying to a question by Deputy Prime Minister Yigael Yadin, Prime Minister Menahem Begin said he first heard of the "Good Morning Israel" joint programme idea in a letter which Zvi Shapira, the head of Galei Zahal, wrote to him in Begin's capacity as defence minister.

"I liked the idea and I said 'yes', so I referred Shapira to Education Minister Hammer who has parliamentary responsibility for educational television," Begin said at the weekly cabinet session.

Hammer then explained to the ministers that he was studying the idea of joint broadcasts, and would not make a statement at the present time.

The ministers understood that both Begin and Hammer liked the idea in principle, but that the problems of practical implementation had not yet been studied in detail.

The proposal for a second channel is now in the hands of Prof. Ezra Sadan, economic adviser to Finance Minister Yigael Hurvitz. Sadan is known to be in the final stages of his report on the economic implications of a second channel. He will submit his report to the Committee of Economic Ministers.

Sadan's point of departure is the Kubersky report, which recommended studying the idea of a second channel last year, and which was sponsored by the two ministers most closely involved: Education Minister Hammer and Communications Minister Moda'i.

## Histadrut to hold elections early

By JOSHUA BRILLIANT
Jerusalem Post Reporter

TEL AVIV. — The Histadrut yesterday decided to advance elections to its convention by more than a year, to next April 7.

Some 1,600,000 members — 80 per cent of the Knesset electorate — have the franchise. That makes the labour federation elections the biggest test run before the national elections, scheduled for November 1981.

The labour federation elections had been scheduled for November 1982. But Alignment leaders decided to advance them to take advantage of what they believe is disenchantment with the Likud and to test their vote-getting machinery before the Knesset elections.

The Likud, along with all other parties in the Histadrut executive, yesterday endorsed the Alignment's motion.

The elections will be organized by a committee comprising representatives of all the parties currently represented in the Histadrut. The committee will be headed by Dov Ben-Meir, secretary of the Tel Aviv Labour Council.

Ben-Meir is replacing Aharon Harel, chairman of the Histadrut's organization department. Harel resigned his position on the committee to become the Alignment's campaign manager in the Histadrut and Knesset elections. He will soon go to Germany as the guest of the Social Democratic Party to see how they organize elections there.

## Swiss move on Jerusalem termed 'very delicate'

By DAVID LANDAU
and ASHER WALLFISH

Switzerland's refusal to sign a pensions agreement with Israel in West Jerusalem in the wake of the Jerusalem Law is "under study" here, a senior source said yesterday. The matter was "very delicate," the source said, indicating that Israel did not intend to allow it to pass without some form of rectification.

The Swiss move is viewed here as considerably more serious than the removal by Holland and 10 Latin American countries of their embassies from Jerusalem to Tel Aviv. Switzerland's decision implies a refusal to transact official, government-to-government business in the capital, and is reminiscent of the very early years of the state when several major powers maintained this position.

Israel does not intend to make any diplomatic "reprisal" or otherwise worsen relations with the states whose embassies are leaving Jerusalem. The senior source explained that the Latin Americans, like Holland, are still considered sturdy friends of Israel, with long records of political support for the Jewish state.

The 10 departing Latin American envoys have been called to the foreign ministry this morning, where they will probably be received by Director-General David Kimche and other top officials. The two remaining envoys, of the Dominican Republic and Guatemala, will be asked to the ministry separately.

At the cabinet yesterday, Foreign Minister Yitzhak Shamir praised Holland for admitting openly that it had encountered intense Arab oil pressure which contributed to its decision. Holland even mentioned that pressure in its public statements, Shamir said.

The Dutch had indicated that they would take up both with the U.S. and with their EC partners the question of Arab oil pressure in international affairs, as they themselves had experienced it. Shamir said the debate in the Dutch cabinet had been stormy, with two ministers opposing the move from Jerusalem.

Referring to Turkey's decision to close its consulates in Jerusalem (also in reaction to the Jerusalem Law), the foreign minister noted that the Turkish government under Suleyman Demirel would face a vote of confidence tomorrow over its relations with Israel.

Transport Minister Haim Landau, back from a visit to the U.S., reported to his colleagues that American Jewry was united behind Israel on the Jerusalem issue. Landau asserted that some 80 Jewish leaders invited to a meeting with President Jimmy Carter at the White House last week had stayed away and only about 20 had attended.

## Van Leer denied post on university council

AMSTERDAM (JTA). — The council of the University of Leyden has withdrawn the candidacy of Oscar Van Leer to sit as one of its members in the wake of protests that he has not unconditionally condemned apartheid in South Africa. Van Leer is the son of Bernard Van Leer, founder of Jerusalem's Van Leer Institute.

Van Leer was to have been one of seven non-university members on the 40-member council. He was also to have founded a chair at the university in education in underdeveloped countries.

But over the weekend five anti-apartheid groups and one student group protested against his nomination. South Africa is one of 26 countries in which Van Leer Package Industries, founded by Oscar Van Leer, has facilities. Until recently Oscar Van Leer was president of the family firm.

## European scouts here for annual seminar

Jerusalem Post Reporter

TEL AVIV. — A European scout seminar on the role of 20- to 30-year-old men and women in the scout movement will begin today at the Avia airport hotel.

Fifty participants from 16 European nations will join their Israeli scout counterparts in discussions of the age group's impact on the scout movement.

Israel was picked as this year's site for the annual meet, said the spokesman for the Israel Scout Federation, because of the local scout federation's success in placing its members into leadership and counselling positions while they are still teenagers.

## Security prisoner dies in Ashkelon

Jerusalem Post Staff

ASHKELON. — A 32-year-old security prisoner died in the jail near here yesterday during morning exercises in the prison yard.

Medics tried to revive Anis Mahmoud Douri, but failed. The Prisons Authority has appointed an officer to investigate the death.

Douri was serving a life sentence for infiltration after being captured 10 years ago in the Jordan Valley. He was recently moved to Ashkelon from the Nafha prison in the Negev.

UNEMPLOYMENT. — The mayor of Safed, Aharon Nahmias, told the inter-governmental committee on unemployment last week that unemployment has increased in his town. The number looking for work has more than doubled compared to last year and the number of families on welfare has increased by a third.

## Military items on display at Jerusalem Fair '80

Jerusalem Post Reporter

The Merkava Tank, a Kfir plane and other homemade Israeli military products will be on view at the Jerusalem Fair '80 which opens in Binyanei Ha'uma during the Sukkot holiday.

In addition to the display of military hardware, kibbutz industrial enterprises will exhibit a variety of commercial products.

## Letter's 18-month trip

HATZOR HAGLILIT. — A registered letter from the Galilee Fruit Co. here took just one and a half years to reach its addressee, Shoshan Netanel of Kiryat Shmona.

The company manager sent the letter with a cheque for Netanel on February 28, 1979, registered with the number 8635, from the post office in Hatzor Haglilit. Netanel received it last week.

The distance from Hatzor Haglilit to Kiryat Shmona is 25 kilometres.

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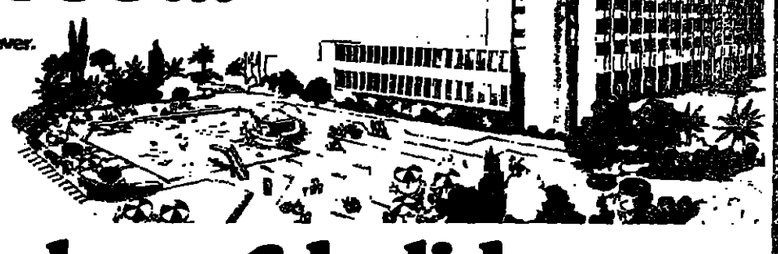

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# WORLD NEWS

## Deng: Mao a national hero despite his many mistakes

WASHINGTON (UPI). — Chinese Vice-Premier Deng Xiaoping, calling the late Mao Tse-tung an "ultra-leftist" who refused to listen to opinions different from his own, said the parliament now in session will not read Mao out of history despite his many mistakes.

"We shall not do to Mao Tse-tung what Khrushchev did to Stalin at the 20th Soviet Communist Party Congress," Deng said in a wide-ranging interview with Italian journalist *Oriana Fallaci printed* yesterday in *The Washington Post*.

The Chinese leader said that while Mao deserves his place in history as a national hero, "unfortunately in the last part of life he committed mistakes, particularly the Cultural Revolution mistake. And as a result many misfortunes were brought upon the party, the country, the people. In the last part of his life Chairman Mao contradicted himself and the good principles he had formulated."

Deng accused Mao of committing "feudal practices" late in his life, including listening to the "Gang of Four," including his wife Chiang Ching and trying to name Lin Piao as his successor.

He said that the "Gang of Four" is still alive and will go on trial by the end of this year.

In Peking, China's parliament *joined the assault* on Ronald Reagan yesterday, denouncing his pro-Taiwan policy as intolerable and insulting.

Deputies representing Taiwan among more than 3,000 delegates at the two-week *National* Peoples Congress (parliament) condemned Reagan's announcement that he would resume *"official" links with* Taiwan if elected president.

The repudiation was part of a carefully orchestrated and almost daily barrage against Reagan designed to underscore China's bitter resentment at his "two Chinas" policy.

*A few days* earlier, U.S. Ambassador Leonard Woodcock was told by the Foreign Ministry that *Peking would* take "appropriate" action if Reagan's anti-Chinese statements did not cease.

The Chinese gave no indication of what they planned; but Woodcock told a news conference it would be logical for Peking to break diplomatic links if Reagan carried out his campaign promise.

In an economic review delivered to the congress, Finance Minister *Wang Bingqian said that despite* extensive summer crop damage, both agricultural and industrial quotas will be met this year. However, only modest growth was forecast for 1981.

Although China's economic policy has for years been based on a balanced budget, *Wang warned* that deficit spending would be around for several years. A period of increased austerity would be applied through the early 1980s to try to reduce the deficit, he said. Officials added that public spending would be slashed, industrial projects dropped, some public sector wage increases frozen and military spending curtailed.

## NATO war games in Germany

LONDON (AP). — Chieftain tanks and armoured troop carriers rumbled through the night early yesterday towards Southampton in *what officials call the greatest* British military invasion of Europe since the Normandy landings of 1944.

An elaborate, month-long war game called "Crusader 80" was getting under way to test contingency plans for the reinforcement of British forces stationed in West Germany facing Warsaw Pact troops.

The North Atlantic Treaty Organization exercise involves at least 180,000 men from five countries — two-thirds of them on land and the rest at sea in an Atlantic battle exercise.

The climax of the maneuvres starts on September 17 in a mock battle in the North Rhine region of Westphalia and Lower Saxony, designed to repel an armoured blitzkreig against the north German plain. The U.S. army's 2nd "Hell on Wheels" division, reinforced by the U.S. 82nd Airborne Division flying 900 men from Fort Bragg, N. Carolina, will represent the enemy. The American paratroopers will drop from their C-141 cargo planes directly on to the battle zone. This is said to be the first military drop immediately after a transatlantic flight.

About 10,000 British regular troops and more than 20,000 men and women in the territorial part-time, volunteer forces, will move across the English Channel in the next few days using military transport, civilian and airplanes and chartered merchant ships, officials said.

## Rightists admit Spanish murders

BILBAO, Spain (UPI). — Two ultra-rightist organizations yesterday claimed responsibility for assassinating a customs broker and a club owner in a renewed surge of Basque political violence.

But one of the organizations said it had killed the customs broker by mistake, believing him to be active in the moderate Basque Nationalist Party.

The latest killings raised Spain's political death count to 79 this year, with 69 of the killings linked to the Basques.

The two victims were Jesus *Mario Echeveste, 46, the customs* broker gunned down on Thursday in the town of Irun on the French border, *and Angel Echaniz, 42, who* was shot to death early on Saturday in his club in the port town of Ondarroa.

## Bani-Sadr opposes many names in new Iran gov't

TEHERAN (Reuter) — Prime Minister Mohammad Ali Rajai finally named his cabinet yesterday but many of his choices were immediately disowned by President Abolhassan Bani-Sadr.

Rajai proposed his little-known team, including at least five former political prisoners, in a letter to the Majlis (parliament), which will vote on the list this week.

But Bani-Sadr, whose efforts to block hardliners during the past three weeks of stalemate appeared largely unsuccessful, gave warning against a government of conflict.

"*The names read in the Majlis* have not been approved by me. I approve of several members of the cabinet but not of others," he told the afternoon daily *Islamic Revolution*. He did not mention names.

The president was particularly opposed to the selection of newspaper editor Hossein Moussavi as foreign minister, political sources said.

*Compromise was reached over* the interior ministry but informed sources said Rajai's decision to leave the defence *portfolio vacant* at present was a sign of the deep rift between the two leaders.

"The president has be[illegible] pressure. For the benefi[illegible] country he accepted this [illegible] but he's not optimistic a[illegible] future," one Bani-Sadr al[illegible] Reuters.

Moussavi, 39, has no expe[illegible] of office. He is a member of the [illegible]damentalist Islamic Republi[illegible] Party (IRP) and edits the p[illegible] daily *Islamic Republic*.

He succeeds Sadegh Ghotbzad[illegible] who, with outgoing Oil Minister A[illegible] Akbar Moin'ar, is the best-know[illegible] casualty of the former interim cabinet.

A 27-year-old, Asghar Ibrahimi, takes *charge of Iran's crucial oil in*dustry. Ibrahimi, the youngest member of a cabinet with an average age of 37, is one of five proposed ministers who were educated at American universities.

Rajai's choice as national guidance (information) minister, Abbas Douzdouzani, spent over five years in jail and was accused of trying to assassinate the shah in 1967.

*One of two proposed* commerce ministers, Seyyed Assadollah Lajvardi, helped blow up the Teheran *office of* Israel's airline El Al during the shah's reign, the official Pars news agency reported.

## Espiritu Santo rebel base falls to New Guinea troops

PORT VILA (Reuter). — Papua New Guinea troops stormed the stronghold *of secessionist rebels on* the South Pacific island of Espiritu Santo yesterday, crushing the last major resistance to the government of newly independent Vanuatu.

A company of 110 troops attacked the stronghold in the village of Vanafo at 2 a.m. and met no resistance — except a sniper firing out of range, said the commander on Santo, Lieutenant-Colonel Tony Nuai.

Vanuatu Home Affairs Minister Fred Timakata said that Jimmy Stevens, *leader of the three-month* revolt, and 70 other rebels were arrested and were now in jail. They included *four Frenchmen*.

Timakata said the operation by the troops who landed on Santo two weeks ago had practically ended the revolt. The government now *controls 90 per cent* of the island and one or two pockets of resistance remaining would be mopped up in a *few days, he said*.

Timakata said all the rebels would face trial. If the Frenchmen were found guilty of rebel activity, they would be deported, he said.

Prime Minister Walter Lini said Stevens could be exiled or face a long term in jail.

The rebels, backed by French planters on Santo, seized control on May 28, and the outgoing colonial powers, Britain and France, failed to end the revolt before independence on July 30.

Lini called for military help from Papua New Guinea after troops sent to Santo by Britain and France did not move against the rebels.

## 142-year-old man outlives his coffins

PEKING (AP). — A 142-year-old man is alive and well in a remote province of east central China, the official Xinhua news agency said yesterday.

Wu Yunqing, of Zinghuabian, a village 45 kilometres north of Yanan, told the agency he has prepared his own coffin three times over the years — the first two rotted with age, he said, and he used the third to build floorboards for his room.

The secret of long life, Wu says, is moderation, diligence, physical exercise and optimism.

Wu, according to Xinhua, is 1.59 metres tall and weighs 53 kilograms. He rides a bicycle and can carry two pails of water uphill to his house.

He sleeps sitting up for only four or five hours a day and never covers himself with a quilt.

**WAGES.** — The French minimum wage will go up 2.1 per cent on September 1 to 2,481 francs ($600) a month for a 40-hour week, or 14.29 francs ($3.45) per hour, the Finance Ministry announced in Paris yesterday. The increase corresponds to the latest rise in the retail price index.

## IN BRIEF

### Pope to UK in '82

LONDON (Reuter). — Pope John Paul II will visit Britain, pe[illegible] in the summer of 1982, the Roman Catholic Church announced in London yesterday. The visit wi[illegible] first to Britain by a reigning pope.

### India relaxes curfew in some northern towns

NEW DELHI (Reuter) — Curfews have been relaxed in some northern Indian towns recovering from violent clashes this month between Moslem demonstrators and police, the Press Trust of India (PTI) news agency reported yesterday.

But the authorities were concerned about the situation in Faridabad, where clashes began on August 13, because of several stabbing incidents and where a dusk-to-dawn curfew remains in force.

### Cyclist Hinault wins

SALLANCHES, France (AP). — Bernard Hinault of France broke away from Gian Battista Baronchelli of Italy on the last of 20 gruelling laps to win the professional road race at the world cycling championships here yesterday.

Hinault, five time winner of the Tour de France and an idol of France's millions of cycling fans, was among the leaders from the start of the 26 kilometre race. He was timed at 7 hours 32 minutes 16 seconds. Baronchelli was second, 1 minute and one second behind.

### Korean businessmen get new guidelines

SEOUL (AP). — President Chun Doo Hwan's government has banned South Korean businessmen from driving foreign-made cars, except for contact with foreign businessmen, press reports said yesterday.

Businessmen were also instructed by the Commerce and Industry Ministry to wear uniforms similar to those of the workers while on the job, and to eat with employees at factory restaurants, reported *The Seoul Economic Daily News* and *The Korean Times*.

### Borg enters 4th round

NEW YORK (Reuter). — Top-seeded Bjorn Borg of Sweden, seeking his first U.S. open tennis title, overcame a slow start on Saturday night before beating Peter McNamara of Australia to move into the fourth round. The score was 7-5, 1-6, 2-6, 6-0.

On the women's side, Tracy Austin, the top seed, recovered from a 1-4 deficit in the first set to beat Sylvia Hanika of West Germany 6-4, 6-4.

*TRAINING.* — *Students* at the state-run Damascus University yesterday carried out exercises with live ammunition as part of military training.

## Black-white confrontation in Zimbabwe

SALISBURY (UPI). — For three tense hours on Saturday, the struggle between poor blacks and affluent whites in Zimbabwe focused on the government hospital in the midlands city of Gwelo.

Fuming throughout, Health Minister Herbert Ushewokunze toured the wards, where he found blacks occupying mattresses on the floor and drinking out of cans because administrators feared they would steal the cups.

Without giving details, he also used the occasion to complain of white "knife-happy doctors who think there are too many Africans walking the Earth" and who, when given permission to operate, perform unauthorized ligations to stop black women having more children.

The stormy visit to the hospital was reported by hospital staff and a *Sunday Mail* reporter who was present.

Ushewokunze, a physician and former guerrilla in Prime Minister Robert Mugabe's army, openly ordered hospital administrator Gerald Baldray to make immediate changes and, the *Sunday Mail* said, twice reduced a senior nurse to tears.

He spent two hours in the "closed" section of the hospital, which previously treated only blacks and now takes patients unable to pay — still only blacks.

He then whipped through the "open" section, which treats paying patients, most of them whites. "One section of the hospital is for the privileged. The other is for the underprivileged," the minister said.

Baldray replied: "I admit the system is wrong and that it must be changed but I must have my instructions and I want to know how to do it." So Ushewokunze told him.

He said there could be no empty beds in the *"open" section while in* the other section patients occupied mattresses on the floor. He also ordered a *redistribution* of nursing staff so that blacks could receive as much attention as whites.

Besides education, health is a factor which whites say will make them decide whether to remain in Zimbabwe under Mugabe's black, socialist government. And many say openly they do not want to share hospital wards with blacks.

## Eastern Bloc keeps wary watch on Poland

*VIENNA (Reuter).* — *Poland's* workers have written a new chapter of communist history *which will be read closely* throughout the Soviet bloc but not necessarily emulated, Western *analysts said here*.

The strikers' breakthrough in winning Warsaw's recognition of the *concept of independent trades* unions and the right to strike must send shivers through the leading *circles of other East European* states, the analysts said.

But whatever their misgivings *about the Polish solution, Warsaw's* communist partners were unlikely to ignore the lesson from Poland about the consequences of losing touch with the workers and ignoring their grievances.

The analysts said other bloc capitals would probably blame the Polish turmoil on errors by the *Warsaw leadership* and reaffirm the correctness of their own policies.

The reaction in the Soviet Union and East Germany has been to publicize comments sharply critical of the Polish government made by Gus Hall, the leader of the pro-Moscow U.S. Communist Party.

In neighbouring Czechoslovakia, where demands for greater trade union freedom vanished with the crushing of the 1968 "Prague Spring" reform movement, the official Communist Party newspaper has already told party members to listen more carefully to other people's opinions and to react more swiftly to their needs.

The analysts said that officials in Prague and other bloc capitals would be relieved that the Polish strikers agreed that their new unions would recognize the leading role of the Communist Party — thus leaving intact the fundamental pillar of power of communist states.

Analysts said that East European workers were unlikely to clamour immediately for a Polish solution for themselves, although they faced in varying degrees the low living standards and shortages that underlay the Polish troubles.

Most would first want to see how much freedom of action and influence the new Polish unions were *able to exercise, before assessing* what practical lessons the move might have for them.

*Hungarians, whose news media* have followed the Polish developments in more detail than some other states, were expected to be among the most interested spectators.


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# ENTERTAINMENT

## TELEVISION

**EDUCATIONAL:** 8.30 Special Education — Our Hour. 9.00 English 5. 9.20 Geography 6. 10.10 Nature 6. 10.30 Programme for Kindergarteners. 11.10 English 7. 11.30 Geography 7. 12.00 English 8. 12.45 Elementary School Science. 15.00 Ma Pitom, English 6 (repeat). 16.00 Gold Track (part 6). 16.30 The End of Summer
**CHILDREN'S PROGRAMMES:**
17.30 *Little House on the Prairie* — Journey in the Spring (part 1, in colour)
*18.20 Walt Disney films and the use of* stunts (in colour)
**ARABIC-LANGUAGE** programmes:
18.30 News roundup
18.32 Sports
19.27 Programme trailer
19.30 News
**HEBREW PROGRAMMES** resume at 20.00 with a news roundup
20.03 Morasha
*20.30 Big Screen, Little Screen* — bi-weekly cinema magazine
21.00 Mabat newsreel
21.30 Shirt no.6 — The story of Tal Brody
22.40 Hart to Hart: Downhill to Death
23.30 Almost Midnight
**JORDAN TV** (unofficial):
18.40 Cartoons. 19.30 French Hour. 19.30 (JTV 3) Big Blue Marble. 20.00 News in French. 20.30 (JTV 3) Peyton Place. 20.30 News in Hebrew. 21.00 News in Arabic. 21.30 Nearest and Dearest. 22.10 Rebecca. 23.00 News in English. 23.15 Hart to Hart.

## ON THE AIR

### First Programme

6.11 Musical Clock
7.07 (stereo): Schubert: Waltzes; Borodin: Polovtsian Dances; De Falla: 7 Spanish Songs; Hubay: Hejre Kati, for violin and orchestra, op. 32; Francaix: Piano Concerto
8.05 (stereo): Ravel: Le tombeau de Couperin; Beethoven: Sonata no. 8 in G Major, op. 30, no. 3; Tchaikovsky: The Months of the Year (part 2); *Brahms: Piano* Concerto no. 2 in B Flat Major
10.05 (stereo): Mozart: Quartet in D Major for flute and strings, K. 285; Schubert: Introduction and variations; K.P.E. Bach: Flute Concerto in D Minor
11.00 Education for All
11.30 Sephardi songs
12.05 (stereo): Composer of the Week — *Igor Stravinsky*: Petrouchka, ballet music; Capriccio for piano and orchestra; Epitaph
13.00 (stereo): Light Classical Music — Elgar: March: Pierné: Konzertstück for harp and orchestra, op. 39; Handel: Zadok the Priest; *Mozart: Rondo from the Haffner* Serenade; Ginsburg: Trio for horn, violin and piano; Bizet: Vocal quintet from Carmen; Kern: Smoke gets in your eyes
14.10 Children's programmes
15.30 World of Science (repeat)
15.55 *Notes on a new book*
16.05 (stereo): Roots.
16.30 (stereo): Musical Encounters — with members of Kibbutz Givat Brenner
17.35 Programmes for Olim
20.05 Everyman's University
20.35 Reflections on the portion of the week with Prof. Yeshayahu Leibowitz
21.00 *(stereo): Danzi: Quintet* in D Minor, op. 68, no. 3; Beethoven: 2 movements from Quintet, op. 71; Scheiber: Permutations for quintet; Ibert: 3 short pieces; Britten: Symphony, op. 1; Milhaud: Cheminée du Roi René
22.15 Between the Notes — Contemporary music
23.15 (stereo): Jazz Improvisations
00.10 *(stereo): Choral music*.

### Second Programme

7.00 This Morning -- news magazine
8.10 All Shades of the Network — morning magazine
12.05 Productive Pace — magazine
12.33 Hebrew songs
13.00 Midday -- news commentary
14.10 Anything Goes - music, chat
16.10 Health and medicine magazine
17.10 Beautiful Land
18.07 Of Men and Figures
18.46 Bible Reading - Isaiah 5:10-25
19.00 Today — people and events in the news
20.10 Sabbath songs
22.05 With People (repeat)
23.05 Crime X — investigating unsolved crimes

### Army

7.07 "707" — *Alex Ansky presents* selections of music and items from the morning newspapers
8.05 IDF Morning newsreel
9.05 Morning sounds
11.05 Israeli Summer with Eli Yisraeli
12.45 *Quarter to One — current affairs*
14.05 Two Hours — music, art, cinema and theatre reviews; interviews, anecdotes and music
16.05 Matinee — with Yaakov Eylon
17.05 IDF Evening newsreel
18.05 Eretz Yisrael magazine
19.05 Needle in a Record Stack
21.00 Mabat newsreel
21.35 Hebrew songs
22.05 Songs from Bertolt Brecht's plays (repeat)
23.05 The classical record shelf
00.05 Night Birds -- songs, chat with Haim Ksinan.

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**FOREIGN LANGUAGE SELECTIONS**

**French**
7.15 (Fourth, Fifth) 15 min. including review of Hebrew press
14.30 (Fourth, Fifth) 30 min.
18.05 (Fourth) 5 min.
20.15 (Fourth) 15 min.
22.30 (Fifth) 25 min.
*24.00 (Fifth) 30 min.*
Yiddish 6.25, 18.30 (First)
Hungarian 19.15 (Fifth) 15 min. Saturdays (First) 30 min.
Rumanian 6.20 (First), 19.15 (First, Fifth)
Russian 6.20 (First), 19.15 (First, Fifth)
Georgian 6.10 (First), 19.15 (First, Fifth)
Ladino 6.35 (First), 20.00 (First, Fifth)
Mograbi 6.40 (First), 19.45 (First, Fifth)
Bukharian 6.05 (First)
Castilian Spanish 6.45 (First)

*Broadcasts in English*
7.00 (Fourth, Fifth) *
14.00 (Fourth, Fifth) *
18.00 (Fourth) *
20.00 (Fourth) *
22.00 (Fifth)*
00.30 (Fifth) *
* Fourth programme: 737 kHz. Jerusalem area 674; central Israel 1025
* Fifth programme: Short wave and FM 88.2 MHz.

## CINEMAS

**JERUSALEM**, 4, 7, 9
**Eden:** Jericho Mile; **Edison:** Invincible Boxer; **Habirah:** The Getaway; **Kfir:** Play It Again Sam; **Mitchell:** Tess 6, 9; **Orgil:** Big Wednesday; **Orion:** The Big Red One 4, 6.45, 9; **Orna:** Stay the Way You Are; **Ron:** Manhattan 4.30, 7.30, 9.30; **Semadar:** Sarah Bernhardt 7, 9; **Binyenei Cinema 1:** Deliverance 7, 9.15; **Israel Museum:** Cinderella 8.30; **Cinematheque:** Three Days and a Child 7; Judo Saga 9.30 p.m.

**TEL AVIV**, 4.30, 7.15, 9.30
**Allenby:** Little Miss Marker; **Ben-Yehuda:** The Rose 4, 7, 9.30; **Chen:** Black Hole 7.15, 9.30; **Cinema One:** Wrong Number 4.30, 7.30, 9.30; **Cinema Two:** *Norma Rae*; **Dekel:** Kramer vs. Kramer 7.15, 9.30; **Drive-In:** Days of Thrills and Laughter 7.30; Escape to Athena 9.30; Sex Kitten, midnight; **Esther:** Jericho Mile 4.30, 7.30, 9.30; **Gat:** Little Darlings 5, 7.15, 9.30; **Gordon:** Gabrielle 5, 7.30, 9.30; **Hod:** Final Countdown; **Lisner:** Play It Again Sam; **Maxim:** Big Wednesday 7.15, 9.30; **Mograbi:** Long Riders 4.30, 7.30, *9.30*; **Opira:** Game of Death; **Orly:** Black Stallion 4.30, 7, 9.15; **Paris:** Watership Down 10, 12, 2, 4, 7.15, 9.30; **Peer:** Twice a Woman 5, 7.30, 9.30; **Ramat Aviv:** The 39 Steps 7.30, 9.30; **Shabati:** Manhattan 5; 7.30, 9.30; Empire Strikes Back 4.30; **Studio:** Being There 4.30, 7, 9.30; **Tchelet:** A Day at the Races 4.30, 6.30, 8.30; **Tel Aviv:** From Russia With Love; **Tel Aviv Museum:** Prova D'orchestra 4.30, 7.30, 9.30; **Zafon:** Tess 6, 9.

**HAIFA**, 4, 6.45, 9
**Amphitheatre:** Big Wednesday; **Armon:** Live and Let Die 4, 6.30, 9.30; **Atzmon:** Jericho Mile; **Chen:** Black Hole; **Galeri:** Boomerang 10, 2, 7, 9; The Professionals 12, 4, 9; **Keren Or:** An American Friend; **Miron:** Kramer vs. Kramer 8 nonstop; **Morish:** Rocky Horror Picture Show 5.45, 9; **Orah:** Breaking Away; **Orion:** La Sex a la Barre 6 nonstop; **Orly:** Manhattan 6.45, 9; **Peer:** Little Darlings; **Ron:** SOS Titanic; **Shavit:** Being There 6.45, 9.15.

**Ramat Gan**
**Armon:** The Sting 7, 9.30; **Tarzan:** Finds a Son 4; **Lilyr:** Bloodline 7.15, 9.30; **Oasis:** Black Hole; **Ordea:** King for a Day 5, 7.45, 9.45; **Rama:** Paradise Alley 4, 7.15, 9.30; **Ramat Gan:** Kramer vs. Kramer 7.15, 9.30

**Herzliya**
**David:** Starting Over 7.15, 9.30; **Tiferet:** Empire Strikes Back

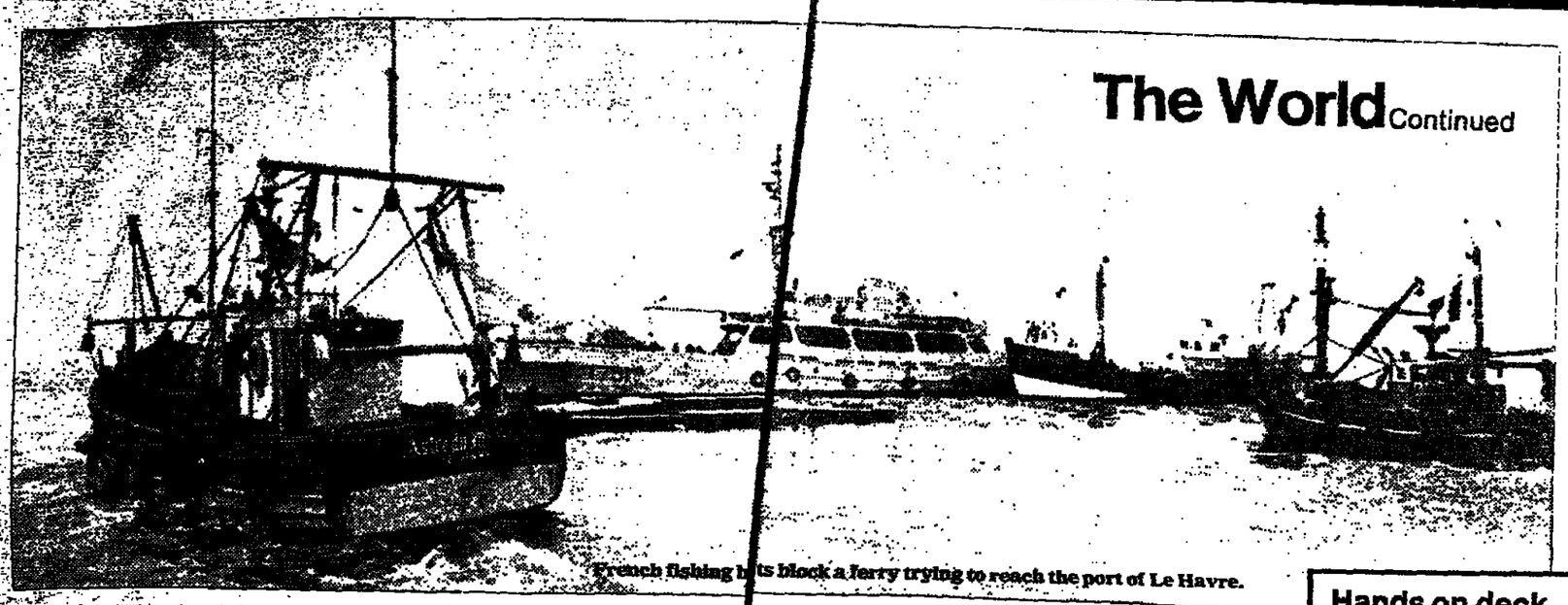
**Holon**
**Mizrahi:** Kramer vs. Kramer 4.30, 7.15, 9.30

**Netanya**
**Esther:** Marriage of Maria Braun 7, 9.15

**Petah Tikva**
**Shalom:** Hair 7.15, 9.30

هكذا من الأصل

# The World Continued



French fishing boats block a ferry trying to reach the port of Le Havre.

Photoreporters/Atelier-Avril

# Fishermen's Protests Dredge Up A Dilemma for Europe's Leaders

By PAUL LEWIS

PARIS — The cat-and-mouse maneuvers of the past few weeks between French fishing boats and navy tugs trying to break their port blockade with firehoses and tear gas have done more than leave thousands of British tourists with a sour final memory of France.

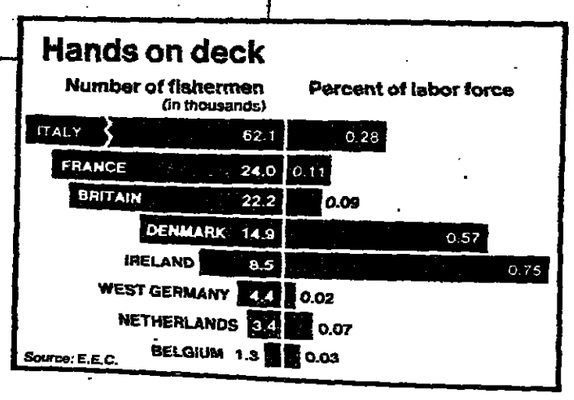
The dispute has domestic political implications, with leftist-run unions taking up the fishermen's demand for higher Government subsidies and job protection to kick off their campaign against the re-election of President Valéry Giscard d'Estaing in May. It also illustrates hard political and economic issues facing Western Europe as a whole.

For all the protestors' effort to stop the clock, Europe's fishing industry keeps shrinking. A decade ago, the nine Common Market countries had 155,000 professional fishermen. Today they have 140,000 (24,000 in France). The Organization for Economic Cooperation and Development concluded in a recent report that "a gloomy view must be taken of a future in which activities will be reduced in varying proportions to complete extinction."

The industry's decline is partly the result of greed, partly a reflection of other forces. Until the mid-1960's, fishing was a boom industry everywhere. The world catch rose 50 percent between 1955 and 1965, spurred by investment in modern techniques including floating fish factories and the use of sonar to track down schools. Western Europe doubled its take from the oceans between 1958 and 1968.

But decline set in as breeding stocks became dangerously depleted by overfishing. The North Sea herring catch, for example, had jumped from 600,000 tons a year in the 1950's to nearly a million tons by the late 1960's. Now it is at half that level and breeding stocks are critically low.

The 1970's also brought enormous oil price increases which continue to push up the industry's costs. On top of this came the great global grab for the ocean's riches. Maritime countries unilaterally extended sovereignty from the traditional 12 miles offshore to 200 miles in hopes of securing bigger shares of the world's dwindling fish stocks and offshore oil. As a result, fishermen from France, Germany and Britain, in particular, were shut out of fishing grounds near the coasts of Canada, Iceland and Norway. Meanwhile, developing countries took advantage of their own 200-mile limits to build up fishing, flooding Europe with canned and frozen fish.




Bucking the tide, French fishermen are demanding higher Government subsidies to cover fuel-cost increases, although they currently pay only half the price motorists are charged for gasoline and diesel fuel at the pump. They are also demanding that trawler owners be prevented from going through with a plan to shave operating costs by reducing the size of their crews.

Unrest has spread to Germany's Baltic fishermen and to northern British ports. At Kyle-of-Lochalsh, Scottish fishermen last week prevented a French boat from unloading imported fish, forcing it to sail on toward Germany.

The O.E.C.D. estimates that Europe's fishing fleets already receive government aid and subsidies equivalent to about 20 percent of the value of their catch. The Governments of France, Britain and German say that, as a matter of principle, they will not dole out more. French Prime Minister Raymond Barre, in particular, has founded his whole economic policy on the belief that French industry must learn to live with high-priced energy, increased competition from developing countries and all the other unpleasant realities of world trade today.

But there are political realities for these Governments to reckon with, too. While in no European country do fishermen even approach one percent of the total labor force, in each country they have a cabinet minister of their own to protect their interests. Much of their influence can be traced to the fact that European fishermen live in small, identifiable communities, often in areas of already high unemployment or general political sensitivity.

The northern French fishing communities usually support the Government, but also contain some marginal seats. In West Germany, awaiting elections in October, Chancellor Helmut Schmidt's political stronghold is the coast. Most British fishing ports also lie in the north where unemployment is high.

Caught between these political pressures and their conviction that fishing must learn to stand on its own feet, European governments are increasingly looking toward the adoption of a common fishing policy this year to help them find a way out, although it is hard to see how.

The Common Market countries have already agreed to pool sovereignty over coastal waters to create a Europeans-only "fishing lake," embracing much of the North Sea and the continental shelf and off-limits to foreigners who don't offer reciprocal rights in their own waters. In theory, the Nine are to agree next on how much fish they can safely catch without exhausting breeding stocks and how to divide this among themselves. Each country will then be able to adjust its industry's size according to its alloted catch.

Easier said than done, of course, and for at least two reasons. First the available catch will be too small to support Europe's bloated fishing fleet at economical prices — "40 to 50 percent too small," warns Austin Laing of the British Fisheries Association — so more thinning of fleets seems unavoidable. Naturally, too, the Nine are having a hard time agreeing on what constitute fair shares of the catch.

Still, the French Government insists a common fisheries policy will ease the crisis in its ports. To many observers, that means France plans to demand extra favors for its fishermen, including a larger share of the Community catch than has been proposed and new restrictions on imports. But British and German fishermen say their proposed shares are already too small. Even if France's fishermen end their blockading, fish will remain a subject of diplomatic controversy in Europe for some time to come.

# The Nation

In Summary

## Time and Money Grow Short for John Anderson

After almost winning the primaries, John B. Anderson, an unconventional Republican, struck on his own four months ago. He since has concentrated more on getting on the ballot, less on persuading voters to take their chances with an independent Presidential candidate. Now he has begun filling in the blanks; he picked a running mate last week and also unveiled a prospectus for an Anderson Administration.

Mr. Anderson, however, may be running out of time. He has qualified for a line on the ballot in 40 states, but because his standing in the polls has sagged, he could be deprived of a chance to show his stuff in debates with President Carter and Ronald Reagan. While other forums may open up, the League of Women Voters has decreed that, by Sept. 10, Mr. Anderson must be more than a distinct blip to qualify for its debates; he has to be registering at least 15 percent in the polls. Mr. Reagan said that he was willing to share any stage with Mr. Anderson. But an official of the Mr. Mondale campaign organization, which figures their ticket stands to lose more from a continued Anderson candidacy, said he "would almost say" that the President won't debate Mr. Reagan unless their first encounter excludes Mr. Anderson.

Mr. Anderson, who has had to do without Federal campaign funds, is certainly running out of money. By comparison, both Mr. Carter and Mr. Reagan stand to get $29.4 million in public funds. And last week, a three-judge panel refused to block plans by independent committees to raise millions more for Mr. Reagan.) While Mr. Reagan's plans for Labor Day include stumping in Jersey City and Detroit, and Mr. Carter's scheduled media events include a picnic in Tuscumbia, Ala., Mr. Anderson had hoped to attention with a whistlestop across five states, just as the poll-takers were setting out on their latest rounds.

But the train ride had to be scratched because his treasury doesn't have $225,000 to spare. In part because his staff hasn't been sufficiently cost-conscious, Mr. Anderson last week turned direction of his campaign over to David Garth, a media consultant whose slick television spots have often turned underdogs into winners.

Setting up a press conference does not cost much, and last week Mr. Anderson threw one to announce his running mate: Patrick J. Lucey, a liberal Democrat who was once Governor of Wisconsin, Ambassador to Mexico, and, until a few weeks ago, deputy manager of Senator Edward M. Kennedy's Presidential campaign. Mr. Anderson insisted that Mr. Lucey, who presumably will concentrate on states in the Middle West and on union halls everywhere, was his first and only choice. But it was generally believed that his druthers would have been a big-name Eastern Democrat.

In a subsequent interview with The New York Times, Mr. Anderson said that, as he did early in his campaign as a Republican, he would soon begin taking stands that "may be a little hard to swallow." His platform contained a few such items — on a method of selecting an Attorney General who can be independent of the President, for example — but generally was an elaboration of positions Mr. Anderson already had stated.

## Talmadge Does It, Gravel Doesn't

Herman E. Talmadge has been 'buked and he's been scorned. But last week he was nominated for a fifth term in the United States Senate anyway. He beat Lt. Gov. Zell Miller in a runoff, and by a comfortable margin.

Earlier in the campaign, it appeared that Mr. Talmadge was a goner. Since last facing Georgia's voters, in 1974, Mr. Talmadge has been denounced by the Senate for his handling of campaign and office funds, treated for alcholism and involved in a nasty divorce. Against five other Democrats in the Aug. 5 primary — his first serious opposition since 1956, when he decided it was time to move to Washington — he barely broke 40 percent.

In the runoff, Mr. Miller was supported by many prominent blacks, but not by any of the primary losers. And he was outspent 4 to 1. For all the questions about his judgment, Mr. Talmadge apparently made points with his assertions that, as chairman of the Senate Agriculture Committee, he could best look after the state's interests and that, New South or no, Mr. Miller was several tads too liberal.

In Alaska last week, another Democratic incumbent, Senator Mike Gravel, running for his third term, wasn't so lucky. He lost in the primary to Clark Gruening. Mr. Gruening's grandfather, one of Alaska's first United States Senators, was unseated by Mr. Gravel in a 1968 primary.

## Measured Response in Philadelphia

During Frank L. Rizzo's eight-year mayoral regime, Philadelphia's black community contended that, where the police were concerned, they were subjects first and citizens second. Last week, Mr. Rizzo's successor, Mayor William J. Green, seemed to indicate that that era is over.

Confronted with violent disturbances after the fatal shooting of a black youth by a white policeman, Mr. Green rejected the Rizzo tactic of applying overwhelming force in favor of a statement promising a "fair and expeditious" investigation. "Police misconduct will not be tolerated," Mr. Green said. "On the other hand, this incident should not be used by citizens as a pretext to engage in violent acts. I urge calm and assure fairness."

Calm did return, and two days after the Mayor's original statement, he announced that Officer John Ziegler was being suspended and charged with homicide in the death of 17-year-old William Green. Some witnesses said the policeman intentionally shot the youth, a car theft suspect, after pistol-whipping him. Police reports said the officer was hitting the youth with the butt of his service revolver when the gun went off accidentally. A deadly force policy promulgated in April by Philadelphia Police Commissioner Morton B. Solomon said criminal charges would be brought against an officer involved in a shooting under such circumstances.

The disturbances erupted Monday, the day after the shooting, and continued sporadically for three nights. At least 11 police officers and three white news photographers were hurt; about 30 persons, mostly youngsters, were arrested. Mayor Green praised the predominately black North Philadelphia community for its restraint and commended the police for the "care and courage" of their response.

## High-Visibility 'Stealth' Leaks

In Washington, the source of a news leak is often as hard to detect as, say, an airborne "stealth" bomber. Last week, though, a journalist testified that a Pentagon official provided him with details about the once highly classified "stealth" project earlier this month, four days before Secretary of Defense Harold R. Brown announced the existence of the radar-confounding plane at a news conference. Several members of a House subcommittee contended the leak was used to justify Mr. Brown's announcement, which they said was calculated to buck up Jimmy Carter, a Commander in Chief trailing in the polls at the time.

Benjamin F. Schemmer, editor of Armed Forces Journal, said he was voluntarily testifying before the Armed Services investigations subcommittee because otherwise he would have been subpoenaed. Still, he termed the Penatgon's blabbing "totally irresponsible."

Mr. Schemmer said that his publication first heard about "stealth" in early 1978, but didn't publish anything, at the Pentagon's request. Then, after sketchy stories about the project had appeared elsewhere, he was given a complete briefing in mid-August and urged to write about what he'd learned. Secretary Brown subsequently went public, describing the "stealth" technology as a significant breakthrough that "alters the military balance."

In a statement, William J. Perry, an Under Secretary of Defense, acknowledged that he had been Mr. Schemmer's briefer. But he said he provided the information only after other leaks had led Mr. Brown to decide to make his announcement.

Michael Wright, Don Wycliff and Caroline Rand Herron

Black Star/Michael Hayman

# Politics Put The Frosting On Carter's Plain Cake

By STEVEN R. WEISMAN

WASHINGTON — On a sweltering Sunday afternoon in July, in a Civil War-era mansion on a lush island off the coast of Georgia, President Carter met with Vice President Mondale and senior White House advisers to discuss the vague outline of his new economic plan. Last Thursday Mr. Carter appeared before television cameras to announce a broad economic "revitalization" program, the final details of which were not hammered out until 3 a.m. the day the President offered it.

In the seven intervening weeks, the Administration undertook an extraordinary round of consultation and internal debate that Presidential aides knew was as important for Mr. Carter's political future as for the nation's economy. The process that produced the package provides a remarkable demonstration of how the President is mixing political and economic considerations in an election year.

By all accounts, the decision-making process was messy, since only a handful of top aides, almost all of them at the White House, made the key choices. The result was that some Cabinet secretaries — such as Commerce Secretary Philip M. Klutznick and Labor Secretary Ray Marshall — were quietly smoldering last week.

The genesis of the new package occurred in November, when some economic analysts in the Administration, alarmed by the decline in productivity in American industry, began thinking of proposing business-oriented tax cuts of about $8 billion some time in 1980. Task forces in the Labor, Treasury and Commerce Departments turned to the idea that tax cuts were needed to stimulate production, increasing the supply of goods being a way of easing pressures for price increases.

Not until this summer, however, when the recession had turned out to be deeper than anticipated by White House planners, did the concept of a business-oriented tax cut take hold. In June, the Economic Policy Group, led by Treasury Secretary G. William Miller, settled on a package of $20 billion to $30 billion of mostly business tax cuts, while insisting that no tax-cut package should be enacted until after Election Day. The Economic Policy Group became the focal point of decision-making on the economic program, submitting its conclusions to the President for final approval. Other principal members of the group were Mr. Mondale; Stuart E. Eizenstat, the domestic affairs adviser; James T. McIntyre Jr., the budget director; and Charles E. Schultze, chairman of the Council of Economic Advisers.

This working group quickly found that worldly considerations had a way of intruding on their deliberations. The automobile industry was failing, for example, and so the White House moved to put together a task force to examine the industrywide effect of Government tax and regulatory policies. This examination coincided with the call by organized labor and Senator Edward M. Kennedy, the Massachusetts Democrat, for an American "reindustrialization," with aid for hard-pressed urban areas.

In consultation with White House officials, Lane Kirkland, president of the A. F. L.-C. I. O., urged the adoption of some sort of labor-management panel to aid depressed areas using Government loans and grants and, perhaps, union-based pension funds. The model Mr. Kirkland had in mind was the practice of government industrial planning in Japan and West Germany. He reportedly found a sympathetic audience in Mr. Eizenstat, Mr. Mondale, Jack H. Watson Jr., the White House chief of staff, and especially Arnold H. Packer, an Assistant Secretary of Labor.

But Mr. Kirkland's proposal was anathema to Mr. Schultze, Mr. McIntyre, and to a lesser extent, Mr. Miller, all of whom were antagonistic to the notion of Government doing any economic planning — particularly picking so-called "winning" industries, an idea that was being advanced by some in the Commerce Department.

## Keeping an Eye on November

Eventually, almost all senior members of the Administration opposed the concept of a strong authority to undertake Government planning, but the issue was resolved by a decision to create an Economic Revitalization Board to make recommendations on what kinds of planning powers should be given to a new industrial development authority, the potential vehicle for such planning.

While the debate over planning was taking place, some of the more liberal members of the Administration began stressing the need for assistance programs for individuals at a time when the bulk of the President's tax package was shaping up as aiding businesses. Mr. McIntyre, by several accounts, fought hard against making the package a sizeable one, but he had to give way when Mr. Carter found himself locked into a debate over the party platform at the Democratic convention earlier this month.

Some officials, such as Mr. Schultze, expressed skepticism, out of concern that the Administration's approach was too much oriented toward the Northeast and Middle West and that the Government would be spending too much in a futile effort to shore up businesses that were bound to fail in any case. Mr. Eizenstat argued that political necessity dictated the need to aid these areas, the heart of the Democratic Party's base of votes. House Speaker Thomas P. O'Neill Jr., meanwhile, joined with other Congressional Democrats to persuade Mr. Carter in the last few days to extend unemployment benefits to jobless persons — a proposal resisted strongly, but unsuccessfully, by Mr. McIntyre.

The conclusion drawn by many participants in the "revitalization" planning exercise was that President Carter had managed to put together a package that satisfied many of the demands of both his economic and political advisers — a rare occurrence. Most White House officials agree that one reason Mr. Carter's new program won so much praise last week was that the concept of the industrial advisory board, the key planning entity, was so amorphous.

Should Mr. Carter win re-election and should he begin defining the powers of this board to grant aid to specific industries and plan for industrial growth in specific regions, the ideological debates about Government's role are certain to surface again. Just how much industrial planning the Government must do could therefore become a central debate, not simply within the Administration, but in Congress and among economists and political experts in the 1980's.

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# Ideas & Trends

## In Summary

### Kenyan Find Offers New Idea on Roots Of Civilization

Expecting to find bones, Dr. Charles M. Nelson, an anthropologist at the University of Massachusetts, went to the highlands of Kenya and found, well, bones; beef bones. Notably, however, these bones are 15,000 years old. More important, they may belong to domesticated cattle used to supplement the diet of a hunting and gathering society. If true, it is news indeed, particularly since the oldest domesticated cattle, a hallmark of civilization, were known to exist a mere 8,000 years ago and in the Middle East.

Announcing his finding last week, Dr. Nelson said that together with discoveries of 18,000-year-old domesticated grain crops in Africa, it suggests that the rise of civilization was a large-scale geographical process, "not one of diffusion from the Fertile Crescent [today Iraq, Syria, Lebanon, Jordan and Israel] to India, Central Asia, Europe and North Africa."

Dr. Nelson believes that agriculture, animal husbandry and the technology that accompanied elements essential to civilization appeared in several, widely dispersed locations. These spread and overlapped — through trade, for example. "Where enough developments overlapped," he concluded, "civilization arose; the Middle East, perhaps, being among the first."

Dr. Nelson says he was convinced the cattle were domesticated by what he saw as evidence that wild cattle never existed in the region: bones and teeth, for example, found in a narrowly defined area, and studies showing that the tsetse fly, principal cause of cattle deaths in Africa, would have wiped out wild cattle. "Domesticated animals," he argued, "would be penned up in the fly-free highlands and could survive without trouble."

Other anthropologists, saying formal analysis must await the publication of Dr. Nelson's most recent work, remain skeptical. Several suggested, for example, that wild cattle may have migrated to the highlands, evading the deadly tsetse fly and discovering the grasses and water needed to survive.

### Fingers Crossed for The Law of the Sea

Since 1974, the United Nations Law of the Sea conference has deliberated off and on, seeking a treaty for the age of technology to replace maritime conventions that date from the sailing-ship era. Last week, the conference's ninth session concluded in Geneva, having made enough progress that Elliot L. Richardson, the chief United States negotiator, said it was "all but certain" that a text would be ready for signing at the next session in March.

Elliot L. Richardson

The heart of the emerging treaty is a compromise that splits the profits from mining the mineral deposits of the sea bed between the private companies that do the mining and the world community, chiefly to the benefit of the have-not nations. Licenses are to be issued by an international authority which will also, with subventions from private industry, mine the sea bed on its own account. The principal achievement of this session and the key to the probable success of the next, delegates said, is an agreement giving the United States and other technologically advanced nations a veto over important actions of the authority.

Other provisions of the emerging treaty will give maritime countries exclusive mineral, oil and fishing rights out to 200 miles; establish rights of free passage in the world's straits; and oblige all signatories to clamp down on sea pollution from their vessels and their shores.

### A Power Project That's All Downhill

The Dead Sea is the world's lowest lying lake — a fact that has so far been of little use except to The Guinness Book of World Records. Last week, the Government of Israel approved a plan to exploit the Dead Sea's low altitude by building a hydroelectric power plant that would supply 600 megawatts at peak capacity — 23 percent of Israel's current consumption.

Technologically the project is ambitious. Water from the Mediterranean Sea would travel through a 70-mile canal to plunge nearly 1,300 feet through four turbines located near Masada on the lake's western shore, then be discharged into the lake. Eventually the lake would rise, but Israeli engineers calculate it would take 20 years to rise about 30 feet. After that, they say, only as much water would be allowed through the system as the lake loses by evaporation.

Prof. Yuval Neeman, the project's principal architect, also envisions a 1,500-megawatt payoff from using the lake as a "solar pond." Because Dead Sea water is about 25 percent dissolved solids, it is much heavier than Mediterranean water, which would tend to float on it rather than mixing. And because sun-heated water gets hottest about five feet deep, the Dead Sea water could approach the boiling point at that depth, allowing engineers to harness the heat as power.

Politically the plan is more than ambitious. So far it is a unilateral project, envisioned without consultation with Israel's neighbors. The preferred canal route would cut through the Gaza Strip, now controlled by Israel but claimed by Egypt. And the water would rise 30 feet on Jordan's side of the lake as well as Israel's, drowning Jordanian territory and possibly endangering Jordanian fertilizer plants near the lake.

### Canadian Readers Have Less Choice

The concentration of newspaper ownership and the dwindling number of two-newspaper towns is an issue in Canada no less than in the United States. Last week, voices were raised in complaint as two of Canada's principal cities became one-paper towns (at least in English) on the same day.

In what suspicious observers construed as a tit-for-tat arrangement, Canada's two largest newspaper chains each folded one daily, leaving the field to its rival. The Southam chain closed The Winnipeg Tribune, and the 600,000 inhabitants of Manitoba's capital now must read the Thomson chain's Free Press or nothing. Thomson for its part closed its Ottawa Journal, leaving Southam's Citizen the only English-language daily in Canada's capital and its 700,000-population metropolitan area. Southam also acquired a local monopoly in Vancouver when Thomson sold Southam its half interest in Pacific Press, which owns both Vancouver dailies, The Province and The Sun.

The chains denied any collusion, but Canadian journalists said the consolidation made "one of the blackest days in Canadian journalism," while the Government was looking for possible violations of the nation's antitrust laws — which, however, have been unable to stop the concentration that has given Thomson and Southam, between them, about half of Canada's 117 dailies. But the Thomson chain's action in particular was expected, since The Ottawa Journal had been losing money copiously. Thomson is known for tight management, with one exception — its ownership of the prestigious but financially embarrassed Times of London, which resumed publication last week after a brief strike by the journalists' union.

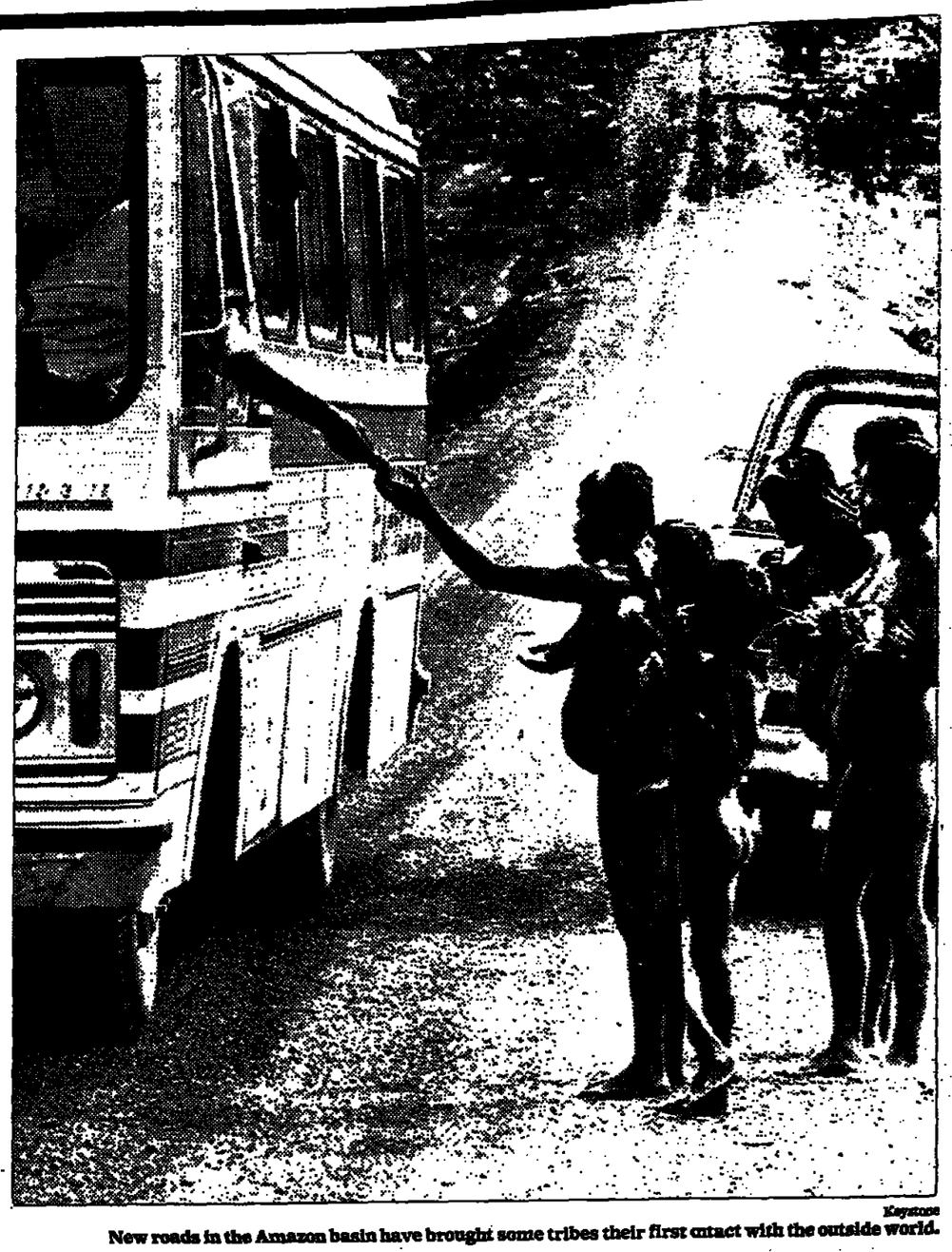
### Aiming for Big Oil, Hitting Consumers

The Robin Hood plan of states such as New York and Michigan to take from oil companies to fill depleted government coffers resembles more and more a way for unwary politicians to shoot themselves with their own arrows. In July, a Federal judge ruled that Connecticut cannot prevent the oil companies from passing on to customers the cost of that state's 2 percent levy on their gross receipts — at least on products such as home heating oil, whose prices are not Government controlled. Worse still, for the Democratic legislators who sponsored the tax, the Department of Energy last week gave Texaco Inc. permission to add the cost to the controlled price of gasoline.

In Connecticut, repeal of the tax would leave a $60 million hole in a precariously balanced state budget. If the tax is not repealed, however, it could add as much as 8 cents a gallon to heating oil costs, becoming in effect a substantial new sales tax for consumers. Already, oil companies appear to have raised by about 2 cents the prices charged fuel dealers, some of whom have passed on the increase to their customers. With the Department of Energy decision, service station owners may soon be in the same position.

The pattern threatens to repeat itself. In New York, for example, a tax similar to Connecticut's is part of a legislative package of subsidies for mass transit, designed to keep future increases in subway and bus fares to 10 cents. It will "self-destruct" if overturned in court, which would require either a new bail-out plan for mass transit or higher fares. Neither option is likely to endear politicians to voters.

Margot Slade
and Tom Ferrell



Keystone

New roads in the Amazon basin have brought some tribes their first contact with the outside world.

# Development Is Eating Up The World's Rain Forests

By WARREN HOGE

RIO DE JANEIRO — A glance at the weary passengers aboard the plane carrying the entourage of Pope John Paul II to the last stop of his recent 12-day marathon across Brazil said that nothing could rouse them. A glance minutes later, as the aircraft wheeled over the river capital of Manaus, said that they hadn't reckoned with the Amazon. At the sight of the enormous watery expanse, the suddenly stirred travelers became yet another expedition awestruck at its first encounter with the Amazon.

Even statistics as wondrous as those that apply to the Amazon basin only begin to capture the size and complexity of the region. It contains 20 percent of all known plant and animal species, it drains one fifth of the world's fresh water and it harbors carbon equal to more than one quarter of that in the world's atmosphere. The world's largest rain forest, it would be the world's ninth largest coutry were it a nation unto itself.

"Without doubt the Amazon is biologically speaking the richest area on erth," says Norman Myers, author of a report on rai forests just published by the National Academy of ciences in Washington. No wonder that, with two thrds of the Southeast Asian rain forests and half of th African ones gone, scientists want to draw the lie at the Amazon. Besides being the biggest, the Amzon, with two thirds of its original jungle intact, is te least savaged by man.

The costs of continued deforestation range from depriving science of an unequaled research laboratory to threatening the exstence of populations thousands of miles distant. One disaster scenario envisions a two-degree rise h the world's temperature within 70 years because f carbon released into the atmosphere by forest destruction, melting polar ice masses and raising sea levels as much as 23 feet, putting many coastal cities permanently under water.

Thomas E. Lovejoy, vice president for research of the World Wildlife Fund, says the Amazon is a "huge pharmaceutical factory" capable of turning out future cures for diseases. Recalling the sensational discovery two years ago in a Mexican forest of a plant that may allow the breeding of perennial corn, Mr. Lovejoy argues that "the answers to many of the demands of our ever more hungry and growing population lie in the very ecosystems which those demands pressure us to destroy."

It is estimated that 140 million people now live in the world's rain forests, and since they inhabit parts of the earth with the highest birth rates, their numbers will continue to grow dramatically. Their slash-and-burn subsistence farming is accounting for the disappearance of more than 40,000 square miles of jungle a year. In recent decades, this destruction has become more methodical and intensive with the entry of large agrobusiness, cattle and timber concerns hacking out vast expanses of land for pasture or single-species hardwood plantations.

"Rain forest development projects testify to the social and environmental catastrophe inherent in the single-minded attempt to exploit the tropics with temperate-zone industrial technologies," write anthropologists James D. Nations and Ronald B. Nigh in the Bulletin of the Atomic Scientists.

Many chemical nutrients in rain forests are locked up in vegetation, and pass from decaying plants to live ones without entering the soil. Uncovered, the earth quickly dries up and becomes useless for planting or pasturage. One ecologist has described the Amazon as "a desert covered with trees." Writing in Bioscience magazine, Susan Walton said, "We know of no sustainable use for the land after the tropical moist forests have been destroyed."

Enéas Salati, president of Brazil's National Institute of Amazonian Research, has discovered that the forest itself induces half of its own moisture, implying that ridding the world of jungle is also ridding it of much of its water. Mr. Lovejoy said studies show that rainfall has decreased one third of an inch every year for the past 50 years in areas of Panama where forests have been felled.

In the most recent assessment of annual rain forest destruction, the National Academy of Sciences report arrived at the startling figure of 95,000 square miles, or more than twice as much as had been suspected. Dr. Warwick Estevam Kerr, past president of the Amazonian research center and the most vocal protector of the region, warns that, at current rates, the entire Amazon will be gone in less than 30 years.

Latin America has more than half of the world's remaining tropical moist forest, and three fifths of it is in Brazil. For generations, Brazil ignored the jungle that makes up 42 percent of its area but houses only five percent of its people. Then, under the military who seized power here in 1964, the Amazon became the site of ambitious settlement programs. The generals said then that conservation was a luxury a developing nation could not afford.

But the effort to move millions from the impoverished northeast into the Amazon encountered too many difficulties, and the number of colonists leveled off at only 50,000. The roads laid down bared some 12,000 square miles of rain forest and further contributed to the gradual extinction of Indians, who now number only 100,000 in Brazil, 10 percent of their population at the turn of the century.

Since then, Brazil has begun to employ radar and satellites to learn just what's in the Amazon. The Government is working on legislation that will amount to a "politica florestal," a national management plan. Original Goernment proposals met with enthusiasm from scienists, but bureaucratic compromises have apparently weakened many of the sections they favored.

The administration of President João Baptista Figueiredo has set aside number of large tracts as national parks. At the same time a country with a foreign debt of $53 billion will be hard pressed to ignore the development possibilities of an area with hardwood stocks valued at $1 trillion and minerals at $50 billion. Government ficials say they intend to limit jungle clearing to 40000 of the 2,860,000 square kilometers still under frest cover.

Another Government venture is saving fragments of jungle selected for their biological diversity to permit continued ecosyem studies. "Additional parks and reserves in the opics will be established in the 1980's," said Mr. Lovejoy, "or never."

*Competitors Know Many Things, but the Bell System Knows One Big Thing*

# A.T.&T. Takes Up Arms To Fight the Little Guys

By ERNEST HOLSENDOLPH

WASHINGTON — The company that hopes we "have a nice day" and invites us to "reach out and touch someone" is sounding the attack in the communications field. The Bell System, often referred to by its corporate family name, the American Telephone and Telegraph Company, and familiarly called Ma Bell, is taking on the little guys.

From the security of Federal regulatory protection for its telephone monopoly, the Bell System has watched small corporations edge into the business of making telephones and other communications devices. Now these mighty midgets are offering long distance telephone service over their own microwave networks and staking out the field of high-speed data transmissions.

Bell now wants to compete with these companies in their own fields. The Federal Government, with an eye to American expertise dominating international telecommunications, wants to encourage such competition. But there is a problem: how to do this without unleashing the might of American Telephone and Telegraph on able but smaller or less well-positioned competitors before the natural forces of competition can take hold.

The Justice Department, in a suit to be heard this fall, suggests dismemberment — making Bell Laboratories, the company's research arm, into an independent business and Western Electric, the telephone manufacturing division, into an electronics equipment manufacturer selling to everybody, A.T.&T. and its competitors alike. Not surprisingly, many of those competitors agree with this plan.

Congress, however, is leaning in the direction Bell, itself, recently announced: dividing the company into a traditional, regulated telephone company with local monopolies, and a subsidiary that would vie with large and small challengers alike in the unregulated communications marketplace.

James E. Olson, vice chairman of A.T.&T., says the company is ready to do this even though substantial deregulation questions remain. The company, he notes, would prefer to wait for Congress to dot the i's and cross the t's on new legislation. But Mr. Olson said, "We really can't wait any longer. We can sense the direction of deregulation, and there is a great big market out there waiting for us."

That market and the regulations that have circumscribed the expansion and diversification of American Telephone and Telegraph are the principal reasons for non-Bell growth in communications. The demand for more varied and sophisticated service has outstripped even A.T.&T.'s capacity to meet it, which is saying quite a lot considering that the company has an unmatched telephone network, one of the world's largest electronic equipment manufacturing divisions and a research unit whose scientists win Nobel Prizes.

Western Electric

A Western Electric installer works on digital toll switches in Chicago.

At the same time, a consent decree issued in 1956 has proscribed company involvement in data processing except for computer applications "incidental" to its task of providing telephone service. It has been largely left to others to design and create some of the most progressive communications systems.

GTE Telenet, for example, developed a computer-directed network that can link assorted corporate computers to transfer vast amounts of information or to store, procs, sort and retrieve data. Other companies here al abroad are manufacturing stylish and electrocally sophisticated telephones, switchboards another devices not available from Bell to its customs.

Even compani with familiar names, some not generally linked communications, are entering the lists: I.B.M. and msat, together with the Aetna Insurance Compar are preparing to offer a comprehensive satellitservice that will link businesses, allow conferenc-by-television, shoot data back and forth and allowoice communications on a scale never before se. The Postal Service plans to send mail and data etronically. And Xerox Corporation is planning a comunications network.

So, what's a l Bell to do? Mr. Olson says the company will be puing further and harder into foreign markets and en now is hiring needed experts away from other conrations. "The word," said a senior executive at TA Corporation, "is out." A.T.&T. also is lookinto nations such as Korea and Saudi Arabia as maets for its advanced communications systems. It igearing up to compete with Japan, Sweden and seral other countries for international telecommunitions business.

In its domtic operations, the company has criticized delays authorizing new technology, such as cellular radi a method of providing clear and abundant mobileelephone service. "We have the only game in town cellular radio," Mr. Olson said, "yet the Goverment may end up waiting so long the Japanese overtake us." In response to such criticism, Federal Communications Commission officials said lt week that they expect cellular radio technology ill e authorized before the end of the year.

One devepment Bell wants to get into operation is the Advanced Communications Service, a comprehensive method for transmitting data with the aid of computers in this field. However, it will not be alone. TDX Systems Inc., of Vienna, Va., for one, already offers a computer system that connects subscribers to assorted cut-rate long-distance phone services, including those offered by two competitors, MCI and Southern Pacific, then feeds calls along the best and cheapest line available when a call is placed. It is, to some minds, the ultimate reseller of Bell's own leased private phone lines.

Among the most controversial concepts whispered about, and denied by corporate officers, is the prospect of Bell's putting out an electronic newspaper and an electronic library — competing against traditional newspapers and books on the shelf libraries. Mr. Olson said, however, that the company does hope to provide "electronic yellow pages," a kind of updated classified ad service that he justifies as a logical extension of the printed Yellow Pages directories. "We will fight for the right to offer yellow pages," he said, "and we will resist any effort to keep us out." After all, he added, "there is a big revenue stream out there and we hope and expect to go after it."

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# The Economy

## Robert Anderson: The Many Sides Of an Oilman

By ANN CRITTENDEN

ROSWELL, N.M.

THE Beechcraft Queenair skimmed over the desolate badlands and dried salt lakes of southeastern New Mexico. About one hour out of Albuquerque the plane lifted over a ridge of sun-charred hills and suddenly sank into the green Hondo Valley, a ribbon of irrigated oasis surrounded by mile upon mile of desert.

At the edge of a small private landing strip a chauffeur stood beside a Lincoln Continental, waiting to whisk a visitor to the main house of the 150,000-acre Circle Diamond cattle ranch. And back at the ranch, a sprawling, New Orleans-style brick mansion, the lord of this fiefdom was already pacing impatiently on the veranda. Time is important to the chairman of the nation's 12th-largest company, especially when he also happens to be the largest individual landowner in the United States and one of the most colorful private businessmen in the world.

Over the years, Robert O. Anderson, the 63-year-old head of the Atlantic Richfield Company, has quietly used the fruits of entrepreneurial success in

The New York Times/Beth Hadlock

Robert Anderson: He also collects artifacts.

the oil business to acquire more than a million acres of ranch land in the Western United States and another million acres in Brazil, with David Rockefeller and a Brazilian partner. While the Brazilian acreage was sold last year, his 20,000 to 30,000 head of cattle and 10,000 to 12,000 sheep in the United States make him a major supplier of beef, wool and lamb.

Along the way, at one time or another, he has bought and sold a grain trading operation in Arizona; much of downtown Aspen, Colo., including the old Jerome Hotel; uranium, sulfur, and silver mining operations; a tire company; a bowling alley, and a chain of steakhouses in New Mexico, sold earlier this year.

He lost vast holdings of farmland in Iran with the recent revolution, but still in his private portfolio, among other things, is the Hyer Boot Company of El Paso, Tex., the oldest maker of boots in the United States, and a string of eight banks in New Mexico, purchased last December.

"I'd call what he has an empire, and he owns it all himself," said his chauffeur, Henry C. Wagoner, driving cattleman John Chisom. It's outside of Roswell, where the family members — two sons and five daugh-ters — still occasionally organize a game of polo. There is another home in Roswell, a house in Aspen, a retreat in Durango, Mexico, and seemingly perpetual travel.

Mr. Anderson estimates that he flies an average of 500 to 600 miles a day. In August, a not untypical month, he led a mounted parade down the streets of an old New Mexico town, restored largely at his expense, left for Italy for a vacation with his wife, flew to Scotland for some grouse shooting, and returned for an Arco board meeting back in Los Angeles.

Among the things Mr. Anderson most enjoys is a good discussion of what can only be called the cosmic issues. He is currently writing his first book, a history of the oil industry, but his chief intellectual concern is the fate of all of the world's nonrenewable resources. He said he is "very much an optimist by nature, but it takes more and more recharging as each year goes by."

Among his major worries are climatic change. "We are in for a global warming trend," he said, "which will be made worse by the shift to coal. It could have a terrible impact on the American grain belt." On soil erosion, he added that "about 60 percent of the world's topsoil is already eroded away." Beyond that, he expressed concern over ground water depletion. "Water tables are dropping, indicating we're exhausting them, just as we did the oil fields," he said. "In 10 to 15 years we'll run into serious problems."

For more than 25 years Mr. Anderson has financed the exploration of global topics, most publicly through his support for the Aspen Institute for Humanistic Studies, and privately, with quiet personal backing of several research organizations.

These include the Worldwatch Institute in Washington, which monitors global environmental trends with the help of a $100,000 start-up grant from the oilman; the International Institute for Environment and Development in London, which sponsors original research on environmental and food issues, and the International Federation for Institutes of Advanced Studies in Stockholm. At the oil company, he was instrumental in organizing the Atlantic Richfield Foundation, of which he remains chairman.

*More impressive than his wealth is how he has used it to fashion the life of a Jeffersonian aristocrat.*

through this small New Mexico town, past the oilman's historic home, polo field, and a local museum filled with one of the country's best Indian art collections, chosen and donated by Mr. Anderson. "He enjoys his life," Mr. Wagoner added.

The land and the oil and the enterprises have provided Bob Anderson with a multi-million-dollar fortune, plus an annual income that puts him into a rarified league that none but a handfull of Americans reach. The exact amount of that income is unknown, for his businesses are private, but last year his compensation from Arco alone came to more than $1.2 million, including salary, bonus and incentive fees.

Even more impressive than the extent of his wealth is the way he has used it to fashion the life of a Jeffersonian aristocrat, in the center of the world of ideas, full of family, houses and horses, and art from the corners of the earth.

When they are at home, Mr. Anderson and his wife Barbara, who have been married 41 years, spend most of their time at the Circle Diamond ranch house in the Rio Hondo Valley, near their stables of thoroughbreds, Arabians, and quarterhorses. They also own a ranch, now called South Springs, that was originally built by the pioneer operation afloat. It all almost came to naught earlier this year, when a bitter labor dispute threatened to shut down the paper, until a settlement was finally reached two weeks ago.

As serious as his intellectual pursuits may be, Mr. Anderson is still first and foremost a businessman, and as hard-nosed an oilman as any in the country. The son of a prominent Chicago banker, he began his career in the late 1930's with, a friend recalls, a wide-brimmed hat and $50,000 that enabled him to buy a small oil company in New Mexico. By 1965, after a series of skillful mergers, his operations had been acquired by Atlantic Richfield and he emerged as chairman of the parent corporation.

Arco has widely diversified natural resource holdings — its 1977 acquisition of the Anaconda Company made Arco a major factor in mining — from coal to uranium to molybdenum to copper, to say nothing of its 21 percent share of Alaska's Prudhoe Bay field, the company's most important oil reserve.

While Mr. Anderson was at the helm, Arco has grown dramatically. Sales rose from $1 billion in 1966 to $3.6 billion in 1971, $8.9 billion in 1976 and, with the help of the latest explosion of oil prices, to $16.7 billion in 1979. Profits in those years showed an equally dramatic jump, from $113 million in 1967 to $199 million in 1971, $575 million in 1976 and $1.2 billion last year.

Like other oilmen, the head of Arco is politically on the right; he accepts the label of a Burkeian conservative. He is a major contributor to the Republican Party and is actively supporting the Reagan-Bush ticket. (He believes that Mr. Reagan will run an Eisenhower-style, strong Cabinet form of government and "won't do what Nixon and Carter did — surround themselves with a comfortable team of cronies").

Arco's chief clearly relishes the lush financial rewards of capitalism. A glance at Arco's latest proxy statement reads like a list of tithes to a medieval monarch. Mr. Anderson's salary, fees and bonuses last year amounted to $777,449, and on top of that, he was awarded $449,667 by the company's executive incentive plan. The company also provides him with a plane for the New Mexico-California commute, at an annual cost of about $50,000, and an apartment in Los Angeles for which Arco pays $21,000 a year.

Mr. Anderson and his wife still hold more than 220,000 shares of Arco stock, worth about $10.3 million in today's market, out of the 700,000 he held when Arco acquired his own Hondo Oil.

On top of all this, there is the income from some 11 ranches in New Mexico and the Big Bend country of Texas. Bearing names like Diamond A, Latigo, and Ladder, the ranches add up to the largest commercial cattle operations, with the possible exception of the King Ranch in Texas, and one of the largest sheep operations, in the United States, not to mention the horses.

Mr. Anderson's most recent excursion into the intellectual realm was a commitment last month, with a Chicago foundation, to give ailing Harper's magazine a new life. The John D. and Catherine MacArthur Foundation and the Arco Foundation agreed to each put $1.5 million into the political and literary monthly over the next three years, a pledge that saved Harper's this summer.

Although he is reticent about discussing details of the arrangement, and insists that the prestigious magazine will remain totally independent of the oil company, it is clear that Mr. Anderson plans to take an active interest in the future of Harper's. He said that an independent nonprofit organization with its own board would be created to run the magazine. "We'll go after an all-star cast as a first step," he commented on the selection of the board. But, he added, "Unless Harper's can be restored to the role it once had, maybe it should go out of business."

Mr. Anderson's other venture into publishing, The London Observer, one of Britain's most distinguished Sunday newspapers, has just narrowly avoided such a fate. The Arco Foundation rescued The Observer from bankruptcy in 1977 and since then has spent more than $10 million keeping the 185-year-old

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THE MARKETS

## Stock Prices Sag Again

By ALEXANDER HAMMER

Stock prices tumbled for the second week in a row last week and trading slowed as Wall Street's concern over rising interest rates unsettled the markt. The Dow Jones industrial average lost 25.60 points to close the week at 932.59 as many of the nation's leading banks increased their prime lending rates to 11½ percent from 11¼ percent while Treasury bill rates climbed to a four-month high.

Turnover on the New York Stock Exchange fell to 194.47 million shares, down from 235.3 million shares in the preceding week as institutional participation slackened, reflecting partly the trimming of positions before the three-day Labor Day weekend. Most analysts are also fearful that because the nation's money supply has soared in recent weeks, the Federal Reserve will curb credit by raising the discount rate, the interest it charges member banks for loans.

Since the spring/summer rally began in April, the Dow has risen more than 200 points, mostly because of declining interest rates. But as short-term interest rates began to climb again, and concern mounted over what affect a Carter or Reagan victory would have on the stock market, prices have sagged.

"No matter who wins the election in November, the market is headed substantially higher over the next several years," predicted Stephen S. Weisglass, president of Ladenburg, Thalmann & Company Inc. Both candidates, he pointed out, are proposing tax advantages which would be highly favorable for the business community, and thus the stock market.

"However, there are several factors putting pressure on the market over the near-term," he added. "The most prominent is the present rise in interest rates and the other is the remarkable comeback of President Carter in the polls."

Mr. Weisglass suggested that long-term oriented investors should use this correction to purchase stocks that will decline from their near-term highs as the Dow drops to the 850-900 level. To keep up with inflation, he suggested high technology, energy and energy-related stocks.

In the energy group, Mr. Weisglass favors Schlumberger, Hughes Tool, Mobil, Occidental Petroleum, Total Petroleum and Dynalectron. His favorite selections in the technology category are Xerox, International Business Machines, Commodore INtrnational, Centronics and Digital Equipment.

Ralph Bloch, vice president of investments of Moseley, Hallgarten, Estabrook & Weeden Inc., observed that "The last two years have provided the market with very severe and violent collapses in October and there is growing talk of how bad this October's decline could be." But he adds that he feels a third violent market decline this October is far too obvious and simplistic. For one thing, he said, the market's technical position in October 1978 and 1979 "was nowhere near as strong as the current period."

There may be some mid-to-late September selling, he said, but a failure to go off on a third annual October massacre could lead to another rally phase during that month.

"With that background, the market should go down temperarily if Carter wins since it means four more years of the same. If Reagan is the victor it will also decline for a short-term since some of the market's strong advance has been predicated on his being elected and already has been discounted," he said.

Mr. Block also believes "we are in a primary long-term bull market" and that any short-term corrections should be utilized in buying stocks in well trended groups such as brokerage firms, chemicals, drugs, hospital supplies, office equipment and expecially high technology companies.

Another Wall Streeter, Robert J. Nurock, vice president of market strategy of Butcher & Singer Inc., said that that since the consensus appears to be that a Reagan victory would result in the most positive climate for investors, signs that victory may be eluding him, as some of the latest polls have indicated, could have a negative impact on the market.

"Furthermore, should the currently quiescent candidacy of John Anderson come to life, this could trigger a period of indecision for investors which would serve to further temper bullish enthusiasm," he noted.

Leonard Jarvis, senior vice president of investments of Shearson Loeb Rhoades, predicted that the Dow could close at over the 1,000 level by year-end if President Carter is reelected. Mr. Jarvis said that if Ronald Reagon wins the market will have a selloff by early next year as he tries to correct the problems inherited from the Carter Administration.

### MOST ACTIVE STOCKS WEEK ENDED AUGUST 29, 1980

(Consolidated)

| Company | Sales | Last | Net Chng |
|---|---|---|---|
| Tesoro Pet | 4,997,300 | 24⅞ | — 5⅛ |
| Sony Corp | 2,983,200 | 11⅞ | — ⅛ |
| IBM | 2,111,100 | 65½ | — 1⅞ |
| Mobil | 1,850,300 | 69⅞ | — 1¾ |
| Coastal Cp | 1,753,900 | 33 | + 5⅛ |
| Sears Roeb | 1,657,800 | 17½ | — 1 |
| NatSemi | 1,620,900 | 88¼ | — ⅜ |
| Amer T&T | 1,575,500 | 53⅜ | + ⅛ |
| Citicorp | 1,514,300 | 22¼ | — ¼ |
| FedNat Mtg | 1,465,900 | 14⅝ | — 1 |
| Tex Util | 1,393,300 | 17¼ | ... |
| East Kodak | 1,339,300 | 64¼ | + ½ |
| Texaco Inc | 1,232,700 | 37⅝ | — 1 |
| GtAtlPac | 1,227,000 | 6¾ | + ⅝ |
| GulfWst | 1,173,300 | 18⅞ | — ¼ |

### The New York Stock Exchange

MARKET BREADTH

| | This Week | Prev. Week |
|---|---|---|
| Advances | 536 | 961 |
| Declines | 1,373 | 983 |
| Total Issues | 2,118 | 2,126 |
| New Highs | 198 | 274 |
| New Lows | 13 | 8 |

STOCK VOLUME

(4 P.M. New York Close)

| | 1980 | 1979 | 1978 |
|---|---|---|---|
| Monday | 35,396,870 | 32,055,030 | 31,762,080 |
| Tuesday | 41,706,840 | 29,434,290 | 33,782,730 |
| Wednesday | 43,972,600 | 30,813,880 | 37,755,730 |
| Thursday | 39,890,460 | 29,283,200 | 33,848,980 |
| Friday | 33,506,200 | 26,374,810 | 35,066,160 |
| Total week | 194,475,060 | 147,961,210 | 172,215,680 |
| Year to date | 7,247,998,582 | 5,219,913,764 | 4,878,642,743 |

### WEEK'S MARKET AVERAGES

New York Stock Exchange

| | High | Date | Low | Date | Last | Net Chng. |
|---|---|---|---|---|---|---|
| Indust. | 84.04 | 26 | 81.27 | 29 | 81.62 | -2.51 |
| Transp. | 64.16 | 26 | 62.06 | 29 | 62.56 | -1.93 |
| Utils. | 39.57 | 25 | 38.11 | 29 | 38.40 | -0.44 |
| Finance | 67.75 | 25 | 66.27 | 29 | 66.50 | -1.47 |
| Composite | 72.30 | 26 | 70.08 | 29 | 70.53 | -1.94 |

Standard & Poor's

| | High | Date | Low | Date | Last | Net Chng. |
|---|---|---|---|---|---|---|
| 400 Indust. | 143.59 | 26 | 137.36 | 29 | 138.89 | -4.37 |
| 20 Transp. | 19.32 | 25 | 18.50 | 29 | 18.76 | -0.53 |
| 40 Utils. | 51.45 | 25 | 50.27 | 29 | 50.86 | -0.45 |
| 40 Financial | 13.19 | 25 | 12.79 | 29 | 12.89 | -0.36 |
| 500 Stocks | 126.29 | 26 | 121.06 | 29 | 122.38 | -3.64 |

Dow Jones

| | High | Date | Low | Date | Last | Net Chng. |
|---|---|---|---|---|---|---|
| 30 Indust. | 964.59 | 26 | 923.04 | 29 | 932.59 | -25.60 |
| 20 Transp. | 328.44 | 25 | 315.18 | 29 | 320.11 | -7.62 |
| 15 Utils. | 111.69 | 25* | 109.90 | 28 | 110.96 | -0.33 |
| 65 Comb. | 349.74 | 26 | 336.81 | 29 | 340.76 | -7.71 |

INVESTING

## What Restructuring Means for A.T.& T.

By EDWIN McDOWELL

The American Telephone and Telegraph Company, whose stock is still the most widely held in America, is busy setting the stage for a restructuring that will result in what Charles L. Brown, its chairman and chief executive, said would be "an organization vastly different from the one we know today."

The plan is for Ma Bell to realign itself into two separate operating entities: one to handle the Bell System's traditional regulated telephone services, and the other to handle such new unregulated telecommunications businesses as selling telephone equipment and advanced data-communications services.

The company has not established a precise timetable, but the Federal Communications Commission wants the separation completed by March 1982, and it wants to insure that there is no cross-subsidization of unregulated service by phone rate payers.

For stockholders, reorganization does not mean the breakup of A.T.& T., the goal of some of its critics. They will still own stock in one company doing the same things it does today. But the pending new look could conceivably run the risk of altering the way the investment community analyses Ma Bell, which after a century of solid but conservative service to telephone customers will soon begin charting entirely new paths. In fact, analysts have reacted favorably to the news.

"Prior to the announcement, there was some question about A.T.& T.'s ability to compete, and more importantly, some people questioned if they wanted to compete," said Edward F. Gaylor, vice president of Pershing & Company, a division of Donaldson Lufkin & Jenrette. "Now both questions have been answered positively."

Of more immediate interest is the stock held by the minority investors in four A.T.& T. operating subsidiaries, which will be fully merged into A.T.& T. to form a separate subsidiary. The subsidiaries are the Mountain States Telephone and Telegraph Company, the New England Telephone and Telegraph Company, the Pacific Northwest Bell Telephone Company and the Pacific Telephone and Telegraph Company.

Analysts noted that many investors who bought stock in these companies were seeking the stability of A.T.& T., but may have felt a regional subsidiary had better growth prospects in its particular area than the parent as a whole. In addition, since the subsidiaries' stock prices were considerably lower than A.T.& T's, it was easier to buy the stock.

A.T.& T. intends to buy out the minority common shareholdings in each of them by issuing some 19.2 million shares of common stock (2.7 percent of the total outstanding), worth more than $1 billion. And in the process, Bell will pay a premium of between 13 and 26 percent.

### An Outline of the Exchange Offer

On Aug. 20, the American Telephone and Telegraph Company announced it would buy up the minority shareholdings in four of its subsidiaries. On Aug. 19, A.T.&T. stock had closed at $52.88. The plan and indicated share values based on the stock prices the day before the announcement are set forth below.

| Company | A.T.&T. shares offered per subsidiary share | Closing price 8/19/80 | Indicated offering price per share | Total shares to be acquired* | A.T.& T. closed on 8/29/80 at $53.38 — Closing price 8/29/80 |
|---|---|---|---|---|---|
| Mountain States Telephone | 0.555 | $23.25 | $29.35 | 9.965 | $28.25 |
| New England Telephone | 0.750 | 35.00 | 39.66 | 7.442 | $38.63 |
| Pacific Northwest Telephone | 0.395 | 16.75 | 20.89 | 6.389 | $20.38 |
| Pacific Telephone | | | | | |
| common | 0.305 | 13.38 | 16.13 | 17.360 | $15.75 |
| 6% preferred | 1.325 | 55.50 | 70.06 | 0.179 | $67.25 |

* In millions

Mountain States shareholders will get 0.555 of an A.T.& T. share for each share held, equivalent to $29.35 at current prices; New England Telephone holders will receive 0.750 of a share, equal to $39.66; the exchange rate for Pacific Northwest will be 0.395, or $20.89, and Pacific Telephone will get 0.305 of a Bell share, or $16.13.

Since the transaction is a merger and not a tender offer, shareholders will have no choice but to exchange their shares for A.T.& T. stock.

The parent company will also consolidate 33 separate pension funds of associated Bell companies with assets of about $28 billion.

As for the outlook for Ma Bell, a good many questions remain unanswered and their resolution is of more than academic interest since A.T.& T.'s stock is so widely held. At the end of 1979, 66 percent of the company's 701 million shares were in the hands of 2,978,000 shareholders.

At a time when institutions are so heavily represented in the stock market, the 28 percent of A.T.& T. stock owned by institutions is relatively small.

Beyond that, though, 31 percent of individual stockholders own no more than 20 shares; another 31 percent own from 21 to 99; 34 percent own from 100 to 599 shares, and only about 4 percent own 600 shares or more.

This means, then, that several million Americans, including a good many who may have no other connection with the stock market, have an interest in A.T.& T. that extends beyond their monthly telephone bill. And for now, at least, Wall Street's message is for them to sit back and relax.

"Aunt Tillie should be very, very secure in her holdings of A.T.& T.," said Mr. Gaylor, "because restructuring should mean that the company will be in a good competitive position."

Similarly, Steve Chrust, senior securities analyst at Sanford C. Bernstein & Company, says, "The company now has a unique opportunity to expand its profitability growth beyond that of the last 50 years."

The short-term outlook, however, is not quite so favorable. In their analysis for Bear Stearns & Company, Donald Mishara and Arnold Belosic said they expected that the buyout of the four subsidiaries would dilute A.T.& T. common share earnings ($7.99 a share for the year ended June 30, 1980) by about 5 cents, and would dilute its book value per share ($64.50) by about 30 cents.

They expect that only the transaction involving Pacific Telephone would be taxable, because its nonvoting preferred stock would not immediately participate in the exchange but would remain outstanding until retired through the stock's sinking funds provisions, at a newly set rate of 1.325 A.T.& T. shares for 1 Pacific Telephone preferred share.

Mr. Chrust sees an immediate problem in transferring the telephone-equipment assets to the books of the unregulated subsidiary by March 1982. "A.T.& T.'s equipment is depreciated over an average life of 12 years, while its competitors depreciate theirs over three-to-five years," he said. "And a lot of A.T.& T. equipment is outmoded and therefore might not be salable at any price. What does it do to the value of all those assets, which have to be transferred to the unregulated subsidiary? Do you transfer at book value? Or at some estimated market value? The implications are great for the customers and for the company's future profitability."

Analysts think that in order to deal with potential losses on the outmoded equipment, the company may eventually have to seek higher rates or a more favorable depreciation schedule.

"A significant amount of undepreciated investment will go from a regulated to a nonregulated category within two years under current rulings, so something will have to be done with those dollars, which are obviously in the billions," said Mr. Gaylor. "Unless the company receives significant help from regulatory bodies, there could be some short-term uneasiness for the common stockholder."

The analyst added, "The operating subsidiaries will continue to finance their own construction programs from external debt and preferred stock, and with a continuing flow of new common equity from the parent company. While the restructing indicates that A.T.& T. should have the tools and structure to perform effectively in the 80's and 90's, the coverage ratios that the debt holder will have for him should be strengthened as a result of A.T.& T.'s participating in the significantly higher-growth new-business areas, which should be of an unregulated nature."

Analysts do not expect any forced divestiture of Western Electric or Bell Labs, but some of them wonder if the new subsidiary will be allowed to benefit from the equipment and scientific support both have long provided the Bell System.

"I can see that if this subsidiary were left completely alone out there, people might wonder what makes it any different from the small computer company starting up in California somewhere, whose chances are 60-40 that it will go under within two years," said Mr. Gaylor. "Personally, I just can't see it being left alone as an unguarded satellite. I expect there should be some infusion of funds to keep it a strong, going operation."

To Mr. Chrust, the question is not so much whether A.T.& T. is capable of competing. "With their research and development and sales organization, they're capable, all right," he said. "The question is whether the regulators and legislators will give them enough latitude to show that they're capable."

The New York Times

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# Mavericks, Middlemen and the Debates

To judge by all the hollering about Presidential debates in the last few days, you'd think somebody was vandalizing the Constitution. There are some important things to argue about concerning debates, but some demystification is also in order.

First, Presidential debates are neither mandatory nor time-honored. It may be arrogant or unwise for President Carter's campaign chairman to proclaim that he is "almost" ready to say that John Anderson must be excluded from the first debate. But it is not sacrilegious. The question of television debates remains political, just as it has been since televised debates began in 1960. They have taken place only twice in five elections; in 1968, Hubert Humphrey wanted George Wallace to participate but Richard Nixon did not; there were no debates.

Second, the debates in 1976 and 1960 have been romanticized. Everyone hopes Presidential debates will produce genuine spontaneity and thus insight. But to think back on the past debates is to recognize that they offered little that was new. Spontaneity? By the time John Kennedy and Richard Nixon went on camera in 1960, they were, to political scientist Nelson Polsby, "stuffed like Christmas geese with 'facts and figures.'" Spontaneity? In 1976, Gerald Ford and Jimmy Carter stood rigid for 26 minutes when the sound went off. Marshall McLuhan said they were like "two men waiting for their trousers to be pressed."

•

Yet there is one thing new about Presidential debates: the audience.

The candidates may have said it all before. They may remain unruffled to the point of being unreal. But debates have at least the potential for high drama and thus they attract intense interest. The first debate this year, if there is one, may draw 120 million American viewers. It will, practically speaking, launch the fall campaign, set the agenda of issues and probably induce many people, after all, to vote.

The public interest here may not be commanding; the candidates, too, have valid political interests. But such citizen attention is an immense asset for democracy. The question is not whether debates are good for the country but how to make them better. There are at least two ways: Let qualified mavericks in. Get media middlemen out.

The maverick point is, of course, *the* political debate question of the campaign. Even the Carter campaigners may not be sure which hurts more, letting John Anderson in or being blamed for keeping him out. But this is not only a political question of Anderson in, Anderson out. It is first a question of principle.

If the United States wants third parties and maverick candidates, and it should, they must have at least a theoretical chance of winning elections. The public will not take seriously Presidential candidates who do not appear in televised debates. To limit participation unreasonably to the two major parties is to eviscerate independents, mavericks and new parties.

Whether it is reasonable to include Mr. Anderson this time remains to be seen. The League of Women Voters will decide by Sept. 10 for the debates it sponsors. In the meantime, the League deserves support for doggedly keeping the possibility open. The precedent is honorable and important.

•

As to the media middlemen, our problem is surely not with our colleagues. In 1976, viewers often described the journalists' questions as better than the candidates' answers. Our problem, rather, is with the form. There is plenty of opportunity in a campaign to ask sharp questions, to test the candidates and even to try to trip them up. Why extend that form of discourse to the debates, as well? As Charls Walker, a debate organizer, said in 1976, "One of the reasons for the debates was to get the media out of the way as the filter between the candidates and the public."

There is another function the debates can perform, a function not now provided for in the entire apparatus of the election campaign: to let the candidates talk to each other.

The League of Women Voters has been experimenting with a format to allow just that. It held a debate in Chicago during the primaries involving a neutral moderator, no nagging about time and no hostile questions — except from the candidates. Instead of hard-nosed interviewers trying to fire pitches past the candidates, the goal was more like slow-pitch softball: to lob the issues up and see how far the candidates could hit them. The experiment seemed to be a success and for a good reason, the same reason that makes it attractive for the fall debates: less heat, more light.

# 'A Great Vital Force'

The strikers of Gdansk have, among other things, blown the cobwebs from an old and cherished doctrine that is usually more honored in song than in life. Trade unionists and revolutionaries alike have claimed a special virtue for the workers of the world — a solidarity that transcends flags and frontiers. The sentiment was best expressed not by Samuel Gompers or Karl Marx, but by Abraham Lincoln, in an 1864 letter to the Workingmen's Association of New York: "The strongest bond of human sympathy, outside of the family relation, should be the one uniting all working people, of all nations, and tongues, and kindred."

Time and again, however, that bond has proved frail as one or another nation recruited its workers for war against workers elsewhere. Sometimes, as in Cambodia today, both sides flaunt the same red flag and may even sing the identical anthem, "The Internationale." And, more routinely, trade unions have frequently clamored for tariff protections that had the effect of beggaring working brothers and sisters abroad.

Still, the ideal persists. One measure of its force has been the International Labor Organization, an agency established in 1919 to foster the interest of workers and the development of trade unions. The I.L.O. has provided a world forum sufficiently important to induce Soviet bloc nations to join the organization and to pay lip service to its various conventions while actually pursuing more congenial political games. So blatant, and mischievous, did these games become that the United States withdrew from the I.L.O., in 1977, rejoining this year on the understanding that it would again concern itself with labor issues instead of irrelevant assaults on Israel.

Which brings us to Gdansk, where the shipyard insurgents have had the wit to examine an I.L.O. convention adopted in 1948. It proclaims the freedom of association and the right to organize. Article 3 asserts: "Workers' and employers' organizations shall have the right to draw up their constitutions and rules, to elect their representatives in full freedom, to organize their administration and activities and to formulate their programs. The public authorities shall refrain from any interference which would restrict this right or impede the lawful exercise thereof."

In Communist countries, where the state and the employer are one, this is incendiary stuff. Topping the list of demands made by the Gdansk strikers is a call for "acceptance of free trade unions independent of the Communist Party and of enterprises, in accordance with convention No. 87 of the I.L.O. . . . which was ratified by the Communist Government of Poland." If the strikers are able to establish that right, it will owe little to the efficacy of the I.L.O. But the inspiration and utility of its convention have surely mattered.

To Americans, a call for free unionism is not a cause but a piety. Yet the first American Labor Day was proclaimed in 1882 partly to affirm that the industrial spirit is a "great vital force in every nation." Anyone who believes that the force is spent should try to tell it to the workers of Gdansk.

## Topics

# Untouched by Human Hands

### 60 Rms Ri Vu Ovr Prcd

A "tremendous breakthrough" is claimed by Harold Douthit, the president of an Ohio firm called Computer Advertising. He has programmed a computer to confect the rich prose of real estate advertising. According to a report in Advertising Age, his machines will ingest all the information supplied in a questionnaire, ponder for a minute, and then dispense a block of copy, complete with suitable headline.

Here, for example, is how the computer would promote a well-known stately home on Pennsylvania Avenue in the nation's capital: "Fabulous Patrician Home of Unique Charm. Washington, D.C. — 18 Bedrooms — $30,000,000." The computer-composed copy goes on to extol the property's park view, splendid dining rooms, servants' quarters and 31 baths. Mr. Douthit uses this sample ad to explain why he gets "chills" at the thought of the possibilities in his device.

Mr. Douthit also asserts that his computer is trained to produce only "accurate, truthful and appropriate" advertisements. There's the rub, of course. Turn the thing loose and it is likely to keep on going about that white house: "Requires a staff of only 90. Electric fence and armed guards assure privacy and security. Heating, lighting and remodeling by act of Congress."

Machines can be like that, lacking a certain human, ah, dexterity.

■

### Ah, Stealth

The possibility that the Carter Administration leaked its own secret about an aircraft capable of eluding Soviet radar has upset some Congressmen. So Defense Secretary Brown has been asked to testify whether the Pentagon was careless or merely devious. Did the secret escape or was the news of it whispered so it could then be embellished to counter Republican charges about slothful weapons development?

Whatever the facts, the suspicions are understandable. President Carter is unlikely to overlook the election-year advantages of incumbency, which confers even more power of information than of direct influence.

There will be time enough to assess the culpabilities in the affair. The immediate lesson lies in the evidence that the rules of leaking secrets aren't what they used to be. Instead of righteously deploring the breach in security, the Pentagon seemed almost eager to confirm it. Instead of enjoying a scoop in silent gratitude, the editor of The Armed Forces Journal seems to have become a willing witness in its investigation.

We wonder how all this looks on Soviet radar. Like a low-budget plot to let a phantom plane render Russian defenses obsolete? Or merely a maneuver to throw Soviet spies out of work?

■

### The Other Census

While Mayor Koch and Washington officials argue over the accuracy of the decennial census, the Federal Government is noiselessly making another kind of tally in New York. As it does every 50 years, the National Oceanic and Atmospheric Administration is surveying the bottom of the harbor.

The U.S.S. Whiting will spend about a year developing a new set of charts to guide mariners past the wrecks, rocks, shoals and shallows that do not appear on their 1930 maps. Seaport, the publication of the South Street Seaport Museum, has had a look at the same kind of advance data that is causing such a furor over the census on land.

There are more wrecks than anyone knew on the bottom of the harbor; channels are filling up; piers have disappeared without a trace. Still, the pace of underwater change is so comfortable that navigators can manage with a 50-year-old chart. If the human species had gills instead of lungs, the population might not have to be counted so often. And arguments about the count would surely be muffled.

## Letters

# Anderson's Candidacy Is a Choice, Not a Dilemma

To the Editor:

In an Aug. 25 column, Anthony Lewis described John Anderson's campaign as an effort which "can only help elect Ronald Reagan." To substantiate this analysis, he cited a Gallup Poll taken immediately after Mr. Carter's renomination, indicating that Carter would be the second choice of a majority of Anderson voters.

Aside from the distortion inherent in any poll taken immediately after a party convention (when the nominee normally finds his poll standing temporarily inflated by as much as 10 points), the Gallup national findings seem sharply at variance from surveys in certain key states. In Illinois, for example, Republican Governor James Thompson has expressed concern that Anderson would draw far more heavily from Reagan than Carter. In Texas, a recent poll indicated the same phenomenon.

The volatility of these figures is due, one suspects, to the deep disaffection of many voters with the major party nominees. Carter may bear the brunt of disillusionment during a week in which his State and Defense Departments squabble over nuclear strategy and wholesale prices explode once again. It may next be Reagan's turn to slide during a week in which he glorifies the Vietnam War, denounces the theory of evolution and engages in an intercontinental debate on China policy with his Vice Presidential running mate.

Perhaps the most relevant poll is that conducted by Louis Harris shortly after the Democratic convention. When respondents were asked to assume that Anderson had a real chance of winning, he received 31 percent nationally, compared to 29 percent for Carter and 37 percent for Reagan. Moreover, in the eight largest states of the North with a total of 218 electoral votes, the poll indicated that Anderson would win 39 percent compared to Reagan's 31 percent and Carter's 29 percent. If columns like that of Mr. Lewis convince voters that Anderson in fact does not have a chance, it will simply turn out to be a self-fulfilling prophecy.

Without the $30-million Federal handouts available to the major party nominees, obviously the Anderson campaign faces an uphill fight. And yet the successes of such recent candidates as Maine's independent Governor James Longley, and Maryland's Democratic Governor, Harry Hughes, demonstrate that relatively unknown contenders can defy conventional wisdom and eventually surge to victory on the strength of the character and content of their campaigns. The two major party nominees have had their day in the sun during the recent conventions, but once the Anderson campaign releases its platform and the campaign gets into full swing after Labor Day, I believe you will see the polls begin to change in John Anderson's favor.

An important factor here is public awareness of trends in opinion polls. If Representative Anderson pulls even with President Carter, as many of us believe possible, it is quite likely that Mr. Carter's support will collapse dramatically as voters realize that he has no chance to defeat Governor Reagan and that John Anderson is both a preferable and potentially more viable alternative. Similarly, voters who have fled reluctantly from Jimmy Carter to Governor Reagan may well move to Anderson, once he establishes that he is in striking distance of election.

Mr. Anderson's success in gaining access to state ballots moves him toward that goal. His selection of Democratic Governor Patrick Lucey as his running mate invites broad support from Democrats, just as his appointment of former Republican Party co-chairman Mary Crisp to chair her campaign will attract many Republicans. These developments establish the seriousness of Mr. Anderson's candidacy. His own qualities establish its merit.

MILTON EISENHOWER
Baltimore, Aug. 27, 1980

## Reagan on China: A Contrary View

To the Editor:

Governor Reagan's recent statements on Taiwan have been severely criticized as "jeopardizing" future Sino-U.S. relations. Contrary to this view, Reagan has actually laid the groundwork for closer relations with the Chinese.

The Chinese know full well that no American President can alter the present Taiwan relations act without the consent of Congress, a point repeatedly made clear by George Bush. The latest Chinese "outrage" should not be taken any more seriously than pro forma protest.

On the other hand, the latest controversy has made Reagan a "hao han" to the Chinese — a hero who speaks his mind at whatever cost. His Chinese counterpart is Deng Xiaoping who had taken numerous unpopular stands during the era of the Gang of Four.

Reagan's loyalty to an old ally is also impressive to the Chinese. In their eventual "confrontation" with the Soviet Union, they'd much prefer an American President who keeps his word and can be depended on.

The Chinese, despite their professed displeasure, are pragmatists. They need America, as their policies are based on a rapprochement with the U.S. If Reagan is elected, they will find ways and means to make Reagan their ally. After all, there's an old Chinese saying, "No differences can't be solved between one hao han and another."

NATHAN K. MAO
Chambersburg, Pa., Aug. 24, 1980

## Polish Strikers and U.S. Labor Law

To the Editor:

In the massive strike by Polish workers, it is worth noting that the heroic, non-violent acts of the strikers would be illegal under present labor laws in the United States.

As government employees, the Polish workers would be prohibited from participating in strikes or work stoppages by Section 7116 (b)(7) of the Federal Service Labor-Management and Employee Relations Law. Under this law, a Federal employee union can not call for, engage in or condone a strike, work stoppage or slowdown, for any reason whatsoever. If a union violated this prohibition, either through positive actions or failure to take countering measures, the union would cease to be legally entitled to represent Federal employees.

Nearly all state and local government employees are similarly barred from striking by state laws, which typically mandate harsh penalties for both individual strikers and the striking union. New York's Taylor Law, for example, bans public employee strikes and provides for the deduction of two days' pay for each day of the strike, the imposition of a one-year probationary period on each striking employee and fines to both the striking union and its individual membership.

The Polish strikers' occupation of their workplace, such as the Lenin shipyards, although non-violent and without destruction of property, would similarly be illegal in the United States. The tactic of plant occupation, also known as the "sit-down strike," is one of the most powerful weapons in labor's arsenal and was necessary to force recalcitrant employers to accept the new policies of the National Labor Relations Act of 1935, particularly, and with great success, in the automobile industry. The power of the sit-down strike is now being vividly demonstrated anew by the Polish strikers.

In addition, only a few of the 21 demands made by the Polish strikers would legally justify a strike under American labor law. While Federal law recognizes the right to strike and to bargain collectively, strikes are permitted only over subjects about which an employer must bargain.

It is proper that Americans take an interest in and support the Polish strikers' decisions to occupy their workplaces in pursuit of greater political freedom and a larger share of their nation's wealth. It would be mistaken, however, to believe that American workers already have the rights to engage in such actions for such reasons. While it now appears that American workers have no need for such rights, continued recession and inflation could prove otherwise. In that event, the Polish workers will have retaught their American counterparts a lesson in tactics and determination which they might have forgotten.

MICHAEL FOX
Cincinnati, Aug. 25, 1980

## Controlling the Gas Guzzlers and Speeders

To the Editor:

I am afraid Michael Levin overlooked one serious drawback in his Aug. 21 Op-Ed article "How Come Big Oil Didn't Think of This?".

He suggested that "each oil company buy an auto manufacturer" in order to ". . . save Uncle Sam the trouble of pouring billions into Detroit, and save face for the oil companies with the American consumer."

Unfortunately, the all-too-recent trend toward fuel-economizing cars would be reversed and the gas-guzzling dinosaurs would once again begin to roam the earth in growing numbers.

I. BERNARD PLISHTIN
New York, Aug. 21, 1980

To the Editor:

There is a relatively simple solution to the problem of speeding cars wasting gas and lives. If 55 m.p.h. is a federally mandated reality, why build cars designed for much higher speeds? If the cars' maximum speed were 55 m.p.h. or slightly higher, the myriad problems of trying to enforce this speed limit would disappear.

If the automobile industry can be required to construct a passive retraint system to save people from themselves, why not also put a limit on the maximum speed of the vehicle and remove the temptation to speed?

PETER SCHULTZ
New York, Aug. 26, 1980

## Can the Soviet Union Match the U.S. in Defense Spending?

To the Editor:

When American political figures debate defense policy they often make their point by assigning arbitrary values to the Soviet factor in the strategic equation. Paul Warnke's Aug. 17 Op-Ed article is a case in point. He is sure that the one field in which we can't outcompete the Soviet Union is the field of military hardware and manpower. The Soviet leadership "has the unquestioned ability to order priorities so as to spend what it considers necessary to avoid military inferiority."

The only competitor for military funds that Warnke takes note of, however, is "consumer needs." Of course, if it were only a question of guns versus butter, it might be supposed that the Soviet leaders would be prepared indefinitely to give priority to guns. Actually, national income is divided into three shares — defense, civilian consumption and civilian investment — and in recent years it is investment, that is, future growth, that has been sacrificed to defense.

The growth rate of investment in the current Five Year Plan (1976-1980) has been almost halved and is providing a smaller increment of capital than the previous plan. The choice the Soviet leaders have been facing is not guns versus butter, but guns versus growth. Until now, the Soviet leaders have chosen guns, but if they continue to sacrifice investment to defense, their capacity to sustain accelerated defense spending in the future will suffer. As the growth rate of the economy continues its secular decline, capital is increasingly in short supply, as is labor, inasmuch as the labor force has almost ceased to grow.

Therefore, when Mr. Warnke says "A simple [sic] continuation of its present rate of military spending would suffice . . ." to prevent falling into inferiority, he disregards the extreme difficulty of maintaining for long even the present rate. If the United States were to invest massively in more military hardware, the Soviet Union might be able for a short time to match the increase, but only at the cost of a stagnant economy and reduced levels of consumption.

Thus, if an accelerated arms race continued throughout the 1980's, it is not at all certain that the Soviet Union would still be able at the end of the decade to match what the United States was spending.

Whether the American people would be willing in the 1980's to initiate and to sustain a greatly accelerated arms race, and whether they should be asked to incur the heavy costs needed to force the Soviet Union into such an arms race, are both complicated and weighty questions. While Mr. Warnke may be right in concluding that massive United States investments in defense would be a mistake, he goes astray when he simply assumes without consideration of the facts that the Soviet Union could readily match any increases in United States defense spending, and would do so.

But Mr. Warnke is guilty of an even more serious oversight. He fails to address the question: Why, having achieved rough nuclear parity in the late 1960's — a necessary conditon, according to Mr. Warnke, before the Soviet leaders would engage in SALT negotiations — did the Soviet leaders greatly outspend the United States for defense in the 1970's, at great cost to the future growth of the Soviet economy?

MYRON RUSH
Professor of Government
Cornell University
Ithaca, N.Y., Aug. 17, 1980

*The Times welcomes letters from readers. Letters for publication must include the writer's name, address and telephone number. Because of the large volume of mail received, we regret that we are unable to acknowledge or to return unpublished letters.*

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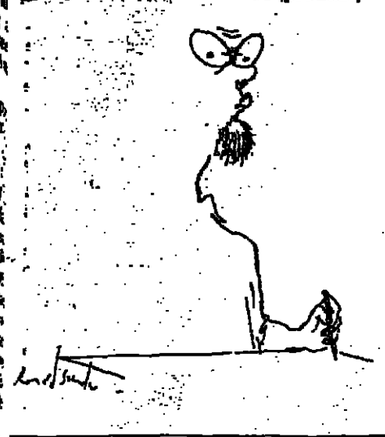
# Government Shouldn't Fund the Arts

By Kingsley Amis

The whole question of paying for the arts is a very difficult one, not only at the doling-out end but also at the receiving end, the end which isn't so often considered.

The truth is that the way an artist is paid profoundly affects his product,



whether he's an opera producer, what used to be called a lyric poet, or anything in between. Most artists are subject to two quite different pressures, one to do with their material, the other to do with their public. In the 20th century, a lot of artists have become heavily involved with their material at the expense of their public. In other words, they tend to produce something very technical, complex, unfamiliar, in some way unexpected, and the public doesn't understand it, is bored, baffled, or outraged. And the public — I belong to it myself most of the time — is usually right. This was happening long before government support for the arts, but that support encourages the tendency.

If you're paid in advance or have your losses underwritten, the temptation to self-indulgence is extreme. If you have to please to live, you'll do your best to please.

The standard answer to that, of course, is that I'm suggesting that artists should pander to the public's whim and that new work, innovative work, should not be encouraged. The public's whim is better than the critics' whim or the experts' whim or the bureaucrats' whim and what we should encourage is good work, not new work. Actually the public's whim can be pretty constant, a whim of iron.

Take one field: music. A new work, called, say, "Distortions," is commissioned. It's to be played at a concert. You have to put in other works as well, by Beethoven, Schubert, Brahms, and other composers who pandered to the public's whim. When you work out the order of performance, "Distortions" has to be played second. If you put it first, nobody comes in until it's over, except the composer's party and the critics. If you put it third, before the interval, everybody goes out before it starts. If it's after the interval, they all have a drink and go home. And it's been like that for 50 years — some whim. A cynical friend of mine, a very able keyboard player and conductor, said that the really rare event in musical life is the *second* performance of a modern work; no subsidy for that. If you really are interested in quality, one way of allowing it to improve would be to withdraw public money from the arts.

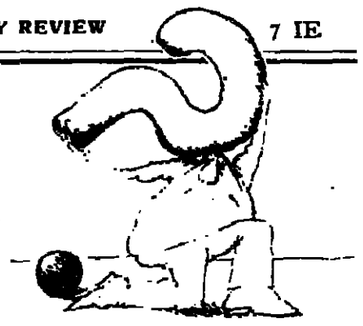
As well as being tempted to be self-indulgent, the state-supported artist is likely to be wasteful. We all spend other people's money more freely than our own, with less regard for value. It doesn't really matter if a chap overspends an individual grant, which is likely to be pretty small anyway. It matters rather more if he's in charge of a new production of "Carmen." Let's call him Entwistle. He'll be very lavish on the production itself, because that's what gets talked and written about. It's Entwistle's "Carmen" you go to see, and when you're finished discussing that you go on to the singers' "Carmen," and possibly you might have a word or two to say about Bizet's "Carmen" if there's time, or room. I was told on excellent authority a terrifying story about a recent production of "Rosenkavalier." There's a drunken-brawl scene in which, at every performance, half a dozen glasses were smashed on the stage. One of the singers noticed that they seemed posh affairs, and asked how much they'd cost. Seven or eight pounds, he was told. "What!" he said. "Why aren't you using tooth-glasses?" "Oh, the audience would see, and it would seem wrong to have rich characters drinking out of cheap glasses." I'm glad I'm not playing the Bleeding Sergeant in that fellow's "Macbeth"; presumably he'd stab me every evening before I made my entrance so the audience wouldn't be put off by seeing artificial blood.

So taxpayers' money paid to the arts encourages waste and irresponsibility in those who do the spending as well as self-indulgence in the artist.

I might have said further about "Distortions" that as well as not writing for the public the composer is writing for the critics, which means he'll inevitably strive after originality. It's annoying, but originality will come of its own accord or not at all, and striving for it must have a harmful effect.

[Another] argument on this side concerns the supposed experts. A full study of the rise of the expert in this century, especially its second half, would make enthralling and very depressing reading. It's all part of the great loss of confidence that has shaken our society, beginning at the time of the First World War. In the past, you didn't know anything about art, but you knew what you liked.

What was even more important, you weren't afraid to say what you liked, and didn't like. You were a Victorian businessman and you came down to London from Birmingham and you bought a Pre-Raphaelite picture because you liked it, not because some interfering Ruskin said you should. Now you ask an expert because you don't trust your own judgment. Imagine telling Lorenzo the Magnificent that that painting he thought he liked had been pronounced bad by an expert. Imagine telling our Victorian



businessman. Their descendants are afraid of being thought unprogressive.

*Kingsley Amis, a British writer, is author of "Jake's Thing." This is adapted from Policy Review, a publication of The Heritage Foundation, a public-policy research organization.*

*IN THE NATION*

# A Predictable Start

By Tom Wicker

Both major party Presidential candidates and their independent challenger are off to predictable starts at Labor Day — President Carter using his office more adeptly for campaigning than for governing, Ronald Reagan floundering in a mire of depthless oratory, John Anderson struggling to get into the race.

Mr. Carter's economic "revitalization" proposals, for example, are precisely what was to be expected of his trudging Administration — unexciting, unimaginative, limited in scope and expectation, with a few worthwhile points buried in the ruck, all gathered into a shrewdly calculated political package.

In fact, its major importance may have been in yet another demonstration of the enormous advantage of an incumbent President over his challengers. The new Carter economic puffery dominated the news, printed and broadcast, as it had dominated the "speculation" in recent days. It was generally presented as red-hot action, not as something that might or might not happen next year, depending on Congress, the voters, and fate.

Even Presidents as widely doubted as Mr. Carter get coverage like that all but automatically; and in this case, the detailing of the promises obscured such pertinent questions as these:

- Considering the economic problems it has faced from its first day in office, why did it take the Administration three and a half years, until the start of Mr. Carter's re-election campaign, to get around to a "revitalization" program that is still little more than a promise of action in a second term — action so limited that it would attack inflation only minimally and leave unemployment at 8.1 percent by the end of 1981?
- If Mr. Carter is re-elected, how can the voters count on even this hobble-skirted program, since it constitutes his third switch in economic direction this year and his seventh attempt to find a workable economic policy since he took office? If the economic outlook changes by Inauguration Day, will "revitalization" disappear like 1979's "malaise" and last January's budget?

Moving toward general revenue financing of Social Security is long overdue; and that's what Mr. Carter's proposal for income tax credits against payroll tax payments amounts to. Holding down employers' payroll taxes also helps hold down their costs, hence their prices. That, and "refundable" investment tax credits — a form of cash subsidy — for money-losing businesses are the only traces of innovation in the Carter promises.

Most economists also seem to agree that allowing business increased tax credits for investments in plant and equipment is a good thing; as to whether it will stimulate productivity as promised, we shall see what we shall see. The rest of the Carter promises are about as exciting as Amy's homework, and not much more relevant to "revitalization."

Nevertheless, Mr. Carter may have seized the tax-cut issue from Mr. Reagan, or at least neutralized it, and he may also have bamboozled the voters into listening to his promises for the future rather than brooding on his failures of the past. If so, Mr. Reagan is in double jeopardy, since he has got his own campaign off to the worst start since George McGovern stumbled into the Eagleton affair.

The Republican candidate needed to resurrect the Vietnam war as a "noble cause" as much as he needs falling arches. Suggesting that Creationism, as well as Darwinism, be taught in the public schools no doubt won cheers from voters whose hearts he already has, but not from those he badly needs in states like New York, New Jersey and Pennsylvania. And Mr. Reagan's apparently incurable two-China syndrome infuriated the main China without helping the other, publicly embarassed his running mate, and underlined Democratic charges that in foreign affairs he is a know-nothing.

This opening failure is considerably greater than the sum of its parts. After the Democrats' assault on Mr. Reagan at their convention, when they obviously sought to make him the issue rather than Mr. Carter, Mr. Reagan needed to show himself calm, reasonable, intelligent, knowledgeable — above all, to stay off the defensive so that he could focus public attention on the Administration's failures. Instead, his excesses may have helped the Democrats to get the campaign centered irredeemably on his fitness, rather than on Mr. Carter's demonstrated unfitness.

As for Mr. Anderson, a summer of obscurity while the major parties dominated television has resulted in sagging polls and a thin wallet — neither of which augurs well for the independent candidate's staying power. His slippage has been only partially offset by his acceptable but unexciting choice of Patrick Lucey as his running mate, and by the President's petty and petulant efforts to keep him out of the campaign debates.

Mr. Anderson's prime problem, however, is that while struggling to be heard, he no longer seems to have much to say. The Doonesbury candidate of last winter, if only he were still in the race, would be running well ahead of today's John Anderson.

Drawings by Ronald Searle

# China's American Card

By John B. Oakes

SHENYANG, Manchuria — If you believe the prevailing mythology, at the end of World War II Stalin and no one else liberated Manchuria from the Japanese, who had held it as a virtual colony since the early 30's.

Somehow, it is universally overlooked here in Manchuria that Stalin entered the Pacific war after the Japanese had already been decisively defeated and only a week before their final surrender. No one here, in this major industrial center that used to be known as Mukden, seems ever to have heard of any American connection with freeing Manchuria from the Japanese. But no one is allowed to forget the close American connection with the hated Chinese Nationalists under Chiang Kai-shek. Even this summer, Stalin's picture still was everywhere, on major public buildings, in schoolrooms and in offices. Streets and squares are named after him and impressive monuments commemorate the Soviet "liberators" of Manchuria.

However, with a million hostile Soviet troops on that long frontier that curves menacingly around this northeastern region, the Soviet leaders are — as were the Czarists before them — China's official Public Enemy No. 1. Now it is the Japanese who are conquering Manchuria once again, as they did in the 30's — except this time they are armed with bulging briefcases and order books.

Many Chinese even now believe that "Stalin was 30 percent wrong but 70 percent right." Many, too, express warm regard for the Soviet people, as distinct from their leadership. It is not too fanciful to think that with another turn of the wheel, the Sino-Soviet hostility of today could be reversed tomorrow — as it has been in the past — if pragmatic necessity demanded.

Chairman Mao and the Gang of Four, who succeeded him in power, could do no wrong yesterday; today they are savagely blamed for everything that has gone sour in China in recent years. A few weeks ago, in this city and throughout the country, all activity stopped as citizens solemnly gathered around public TV sets to observe the rehabilitation in Peking of the late Liu Shaoqi. He was the head of state who not so many years ago had been purged by Mao and denounced as "renegade, traitor and scab."

Since United States recognition of China 20 months ago, Peking has turned the pro-American switch on and off in fits and starts. The Chinese are intensely interested in American technology and managerial expertise in almost every field. But they obviously are not interested, with such occasional exceptions as the Boston Symphony, in the best of American culture.

The one American movie widely circulated in China today is called "The Vicious Dream." It is a seamy junk-film about inter-racial lesbianism and murder. Along with low-budget American TV serials of not much higher caliber, "The Vicious Dream" is now giving the masses of Chinese their first and practically only taste of American popular culture in more than a generation.

"After all," apologetically explains an American diplomat, "Hollywood isn't in this for its health, and is willing to sell the Chinese what they are willing to buy. Even for an international film festival, the Chinese authorities turned down eight of the 10 proposed American entries, some of our finest films. The only ones they would accept were 'The Black Stallion' and 'Snow White.' The United States has opened an information library, but few Chinese receive the special permission from their Government necessary to get in."

At one foreign-language book store here, the only work in English visible — apart from multitudinous scientific and technical manuals — is entitled "The Evil Chiang Kai-shek, Aided by American Imperialists." A textbook used in a high school English class informs Chinese students and teachers what a "scientific survey" has found. The typical American housewife is regularly served breakfast in bed at 10 A. M. by her cowed husband, who then rushes off to his office to make more money than his neighbors while his wife joins her friends gossiping and playing bridge.

"There's no doubt that in the last few months, Chinese officialdom has drawn back from the much more forthcoming attitude they showed immediately after recognition," comments one American information official who has been through it all. "They're not anxious to cultivate too much American cultural influence, and there's nothing we can officially — or even unofficially — do about it."

This doesn't mean that the Chinese have suddenly switched to anti-Americanism as they suddenly switched from pro- to anti-Sovietism. It does mean that with the reopening of China to the West, Peking's leadership feels it necessary to reaffirm the traditional Chinese belief in the inferiority of all cultures to their own. This is a point they can make neatly and painlessly with such simple weapons of our own making as "The Vicious Dream" — while the United States Government stands helplessly by.

China has far more to get from the United States in technology and expertise than it can give in return. In a strange reversal of history, it is the Chinese who are now pursuing their own special kind of Open Door policy, to take from us what they want and need. It is clearly in America's interest to cooperate — within limits.

In doing so, however, there is no reason to throw ourselves blindly into China's arms, nor, as Ambassador Leonard Woodcock did last week, to try to stifle American domestic political criticism of the present status of United States relations with Taiwan for fear of offending the People's Republic. There is no reason to build up China's military strength as it would like us to do or to distance ourselves from traditional allies or threaten the Soviet Union. As we try to develop a mutually advantageous relationship with the People's Republic, there is no necessity to overplay the tempting "China card."

*John B. Oakes is former Senior Editor of The New York Times. This is the third of four articles.*

# Our Energy Future

By Jackson S. Gouraud

WESTPORT, Conn. — The American people have not yet been told the full truth about our dependence on imported oil, which is now costing us $10 million an hour, every hour, all year long.

This year foreign oil will cost us some $90 billion, more than the net assets of I.B.M., General Electric, General Motors and Ford.

I recently resigned from the Department of Energy because I became convinced I could influence energy conservation far more effectively from outside the Government. I had become Deputy Under Secretary of Energy for Commercialization in 1978, to help the Government commercialize energy technologies with near-term potential.

After careful screening and outside consultation, we chose some two dozen technologies with promise and began expediting their commercialization. But it soon became apparent false hopes were being raised; the immediate contribution of these technologies to our energy needs was slight.

Sophisticated new energy supply technologies are not going to end our dependence on foreign oil in this century.

But it is in this century that we are at the whim of foreign governments, and are paying $90 billion a year for imported oil. The crisis is not in the year 2000, not even in 1990. It is now.

The Administration's plan for reducing our oil imports, announced July 16, 1979, called for the creation of an Energy Security Corporation, now established by Congress, to develop 2.5 million barrels per day of oil substitutes by 1990.

One way of meeting this objective was outlined: Coal liquids and gases would account for 1 to 1.5 million barrels a day; oil shale for 400,000 barrels per day; biomass for 100,000; and unconventional gas for between 500,000 and one million barrels per day.

My best guess is the most we can expect from synthetic fuel is 700,000 barrels a day by 1992. Let's examine why:

An oil-shale plant will cost $1.5 billion to $3 billion and will produce about 50,000 barrels a day. Eight plants, to produce 400,000, would require a capital investment of $12 billion to $24 billion. Coal liquefaction and gasification plants will cost $3.5 billion to $4 billion for a 50,000 barrel a day plant. To get one million barrels a day, 20 plants would be needed, and at a capital investment of $70 billion to $80 billion.

Capitalizing these alternative fuel facilities will not be easy, even with Government help. Banks are limited by law as to how much they can lend for a project, and even consortiums of banks have limits. In fact, even the largest insurance companies cannot easily come up with all the money needed to get these plants on line in the next decade. We're talking here of 28 plants at a capital cost of $82 billion to $104 billion, to achieve an output of 1.4 million barrels a day of synthetic fuel.

Even if all the capital, technical and environmental problems can be overcome, and all 28 plants are on line on schedule, we will still have added only 1.4 million barrels a day, and that not until 1990 or 1992.

While I was in the Energy Department I realized two important things: first, the only solution to our energy problem is to cut our demand for oil through conservation and solar conversion; second, the Government is not doing what is necessary to persuade the people of the urgency of this crisis and to marshal their full support.

In 1970, our imported oil cost about $3 billion; in 1979, it cost $45 billion; this year, it will cost about $90 billion for about the same amount of oil. How are we going to reduce this huge capital outflow?

The only answer is to cut demand by conservation — the reduction of energy waste and the increase of energy efficiency — supplemented by switching to solar energy as much as possible.

We have been wildly wasteful and inefficient. Our system was built for cheap, plentiful energy, so there are thousands of opportunities for Yankee ingenuity and Yankee thrift.

Conservation can cut our dependence on imported oil and lead us to a new diverse renewable energy system in the 1990's and the next century.

But do not be misled by talk of billion dollar plants to turn dirty coal into clean synfuels. These plants are far down the road.

If we don't concentrate on conservation and solar, we aren't even going to get there.

But we can get there. There are still some 50 million Americans driving to work alone; if each would take one passenger, we would save 400,000 barrels of oil a day. That is equivalent to eight synfuel plants costing $15 billion to $30 billion.

Our energy future is up to us, each of us, and it is spelled "conservation" — the wise and efficient use of our resources — from now on.

*Jackson S. Gouraud is president of a firm that deals with energy problems.*

# Tax Benefit for Renters

By James H. Tully

I think we all want to cut taxes, but we want to do so in ways that make the tax system fairer and have other beneficial effects on the American economy and society.

There have been numerous suggestions as to how we can best accomplish this desirable removal of bias.

Some bills introduced in Congress would provide an itemized deduction for real estate taxes but disregard the other homeowner benefits. New York State tried to do something like this, but the Internal Revenue Service rejected it.

Moreover, if you make a share of taxes a deduction, many taxpayers do not get the benefit because they are lower-income and don't itemize deductions. Therefore, a renter's tax benefit in the form of a nonrefundable credit would seem to be the best solution.

I wish to express my support for the pending proposals to provide a renter's tax credit for all Americans who rent their principal residence.

Such a credit could be in the amount of 20 percent of the total annual rent, to a maximum of $1,000. These credits would not be refundable, so one could not reduce his or her tax payment below zero because of the rent credit. The credit should be designed so it would cost the Federal Government about $5 billion annually.

The passage of such legislation would help in the following ways:

It would make the tax system fairer, ending the existing discrimination against renters. Yet it would not reduce the benefits of homeowners or landlords at a time when they are burdened by higher fuel costs, higher real estate taxes, and higher mortgage interest costs.

It would be simple. We all know that homeowners get many benefits because a house is not only a residence but an investment and a tax shelter. Homeowner benefits, not only on principal residences but on all houses owned, presently cost the Federal Government about $20 billion. Therefore, we should not be afraid to give renters, who comprise 30 percent of the population, a benefit worth about $5 billion.

Instead of trying to track each and every homeowner benefit and construct a parallel renter benefit, it's easier to provide a simple credit.

Such a benefit would help a lot of people.

Studies conducted for the Joint Economic Committee two years ago found that, although the percentage of American households living in rented space stayed at about 50 percent from 1900 to 1950, our national policies to promote home ownership after World War II have slowly reduced the renters to about one-third, or 25 million households.

This is a national problem.

Rental units are well distributed throughout the nation, with 25 percent in the Northeast, 20 percent in the West, 23 percent in the North Central states and 30 percent in the South.

The fact that it is a national problem is also evidenced by the bills introduced by Congressmen from many parts of the country — more than 20 bills with more than 80 co-sponsors.

This tax bias has had a devastating effect socially. The middle class has been encouraged to move out of the cities, with a resulting loss in the cities' tax base, and the cities have been left with a disproportionate share of the poor and needy.

I don't think anyone wants to force people to be renters but merely to provide a fair alternative to those who for various reasons want to rent. Right now the tax law encourages people to be homeowners.

Renter benefits are workable. They already exist in the income tax laws of six states: Arizona, California, Hawaii, Indiana, Oregon and Wisconsin.

Encouraging Americans to be homeowners has caused people to move further and further away from the cities, using more and more gasoline to get to and from work.

It is a built-in bias in the tax law that causes increased energy use.

How can we justify a tax law that encourages energy use?

*James H. Tully Jr. is commissioner of the New York State Department of Taxation and Finance. This article is adapted from testimony recently delivered to the Ways and Means Committee of the House of Representatives.*

# Arts & Leisure

## FILM VIEW

VINCENT CANBY

# 'Close Encounters' Has Now Become a Classic

NEW YORK — Time is out of joint. The best new film of the summer is three years old: Steven Spielberg's "Close Encounters of the Third Kind," which first opened in November, 1977, and has just been put into release again in a new, slightly shorter version re-edited by Mr. Spielberg. This "Close Encounters of the Third Kind" is nothing less than a delight and can now be recognized as the classic that I, for one, didn't see it to be three years ago. I'm not sure whether the changes Mr. Spielberg has made have actually altered the film so much or whether my receptivity to it has improved in view of the dimness of most of the other new movies this summer. Possibly a little of both.

It may also be that the fuss that attended the 1977 opening — including stories about the cost of the production and speculation about the film's effect on the financial future of Columbia Pictures, which produced it — clouded the vision in a manner that critics and reviewers aren't always aware of. Everybody from the filmmaker to the members of the public tends to get a little hysterical at such moments. Time has allowed Mr. Spielberg finally to edit the movie he wanted to make and the rest of us to respond to it in the kind of leisure one doesn't ordinarily have when a new film opens.

Mr. Spielberg's alterations appear to be minimal, at least to someone who doesn't remember every frame of the original. He has eliminated bits and pieces of domestic scenes that originally contributed to the mid-movie droop, and he has added some shots inside the space ship at the film's end. However he has done it, he has come up with a movie that is an unqualified smash, a science-fiction film that ranks alongside Stanley Kubrick's "2001" and which, though it evokes memories of sci-fi movies of the 1950's, is an original vision, technically superb, poetic without apparently being aware of it, a movie that for all of its fancy technology doesn't shortchange or patronize the ordinary people who are its characters.

This last point is the principal revelation, for me, of the new "Close Encounters," and it may be that Mr. Spielberg's cuts have, indeed, had the effect of making the domestic problems of Roy Neary (Richard Dreyfuss), the Muncie, Ind., power company repairman, his wife Ronnie (Teri Garr) and their three wise-mouthed children seem much less tiresome and much more human — moving as well as comic.

For those who haven't seen the movie I suppose I should explain that "Close Encounters" proceeds to its spectacular finale, the landing of an alien space ship at the foot of Devil's Tower, Wyo., via two lines of narrative — via the activities of of an international team of scientists preparing for the arrival of the aliens, and via the adventures of some quite ordinary people who, having witnessed a space-age ephiphany, a dazzling U.F.O. light-show over Indi ana, also find themselves mysteriously drawn to the Wyoming rendezvous.

Chief among these folk are Mr. Dreyfuss's Roy Neary, a good-natured but none too stable blue collar worker, who abandons his wife and children to pursue a quest he can't explain, and Jillian Guiler (Melinda Dillon), a young woman whose 4-year-old son Barry (Cary Guffey) has run away to join the space travellers.

The Neary family's home life is a hilarious confusion of misunderstood motives and decent impulses. They live in a house overstocked with appliances and gadgets probably not yet paid for, and they are forever accompanied by the nonstop noise of bickering parents, of children in ordinary high spirits and of a television set that drones on and on, much of the time with no one watching it. There's one especially good moment that I somehow missed when I first saw the movie: in the center of the frame Roy and Ronnie are arguing about whether or not the children should be forced to see "Pinocchio" (they aren't keen on the plan), while off to one side of the frame the youngest Neary child is cheerfully smashing the head of a doll against the side of a playpen until it shatters satisfactorily. Rarely have Americans who subsist at the pleasure of their friendly finance companies seemed so engaging.

However, in this new "Close Encounters," as in the original, the most engaging personality is still Cary Guffey, the child who receives the message of the space visitors long before anyone else. I think it's safe to say of Mr. Guffey that, because he was 4 when the film was made, his is less a performance than a countenance — alert, curious, sweet and responsive — that Mr. Spielberg uses as one of the film's principal visual themes. Not since "Small Change," the extraordinary childhood memoir directed by François Truffaut (one of the stars of "Close Encounters"), has a child been so appealingly (maybe even honorably) presented in a motion picture.

The look of rapture on the little boy's face as he finally sees the space ship, which has apparently landed in his backyard, is really the center of "Close Encounters of the Third Kind," which is about the possibility of miracles, of salvation.

This is further reflected in the presense of Mr. Truffaut who, as Dr. Lacombe, the French scientist in charge of the United Nations space team, goes about his business with the manner of a benign prophet, not one of your hellfire-and-damnation types but one who demonstrates the kind of self-assured, low-keyed authority and infinite patience you might expect of a liberated prophet of tomorrow.

When I first saw "Close Encounters of the Third Kind" in 1977, I was inclined to emphasize the movie's marvelous special effects by Douglas Trumbull and Mr. Spielberg's mastery of action-movie making, which was to underrate the overall concept of the film. This breaks with the paranoia that has activated most science-fiction films throughout the decades and recalls the blissful innocence of science-fiction in George Méliès's skylarking "Voyage to the Moon" in 1902.

There's not a mingy character in the entire Spielberg film, and it says something for the way Mr. Spielberg conceived it that no one even suspects that these aliens might possibly have less than altruistic thoughts in mind. Everyone simply assumes the best, which is the expression on the small boy's face throughtout the film.

Though "Close Encounters of the Third Kind" is one of the most sophisticated movies ever made, the sophistication is always at the service of this concept. This is fully realized only in the film's finale, set on the the secret Wyoming airfield, where the earthlings and the aliens finally succeed in establishing communication through notes and chords played on an organ console, the sounds of which evoke thoughts of heavenly doodling on the Radio City Music Hall's mighty organ.

It is absolutely right that when we go into the space ship the effect is rather like falling upward into one of those gigantic, glittery, crystal-hung chandeliers most of us still associate with old-time movie palaces like the Roxy, the Paramount and Loew's Paradise. It is also right that the alien creatures, though obviously of an intelligence that puts us in the same relation to them as chimpanzees have to us, should be no more physically intimidating than small, extremely brainy children.

This "Close Encounters" is as much about the magic of moviegoing, about the dreams realized in movie palaces, as about the magic of movie making. Watching it today is like experiencing a dream in which the dreamer moves from dread to joy without having to break the spell by waking up.

Cary Guffey—"the most engaging personality in 'Close Encounters' "

Richard Dreyfuss, above, as Roy Neary—"good-natured but none too stable."

"Cary Guffey's look of rapture is really the center of 'Close Encounters' "

## STAGE VIEW

FRANK RICH

# Gower Champion Was A Broadway True Believer

NEW YORK — Gower Champion first caught the national eye when he waltzed his partner, Marge, across the studio stages of television's black-and-white infancy. He hoofed it up in the gawdy, rainbow-hued Hollywood movie musicals of the post-war era. But can anyone doubt that this man's heart and legacy belong to Broadway? Mr. Champion arrived as a full-time theater choreographer with "Bye Bye, Birdie" in 1960, and, consummate showman that he was, he didn't leave until they carried him out two decades later. When he died Monday — a few poignant hours before the opening night curtain of his final musical, "42d Street" — Broadway lost one of its last true believers, one of its last whole-hearted celebrants.

For all the commercial and critical success Mr. Champion achieved during his lifetime, perhaps he was never fully appreciated on his own terms. That may be because he was an anachronism. He was no innovator, like Jerome Robbins or Michael Bennett. He never created his own distinctive choreographic style, like Bob Fosse. He didn't try to tackle daring subjects, like Hal Prince. And yet Mr. Champion's body of work is as much a part of the history of the contemporary musical as that of his talented peers. By applying an unstoppable imagination, galvanizing enthusiasm and a taskmaster's professionalism to a series of unpretentious, empty-headed entertainments, he almost single-handedly kept alive the fabled traditions of Broadway's most glittery and innocent past.

He believed in the old, corny razzmatazz, and he would stop at nothing to get the audience to share his faith. In its simplest form, his showbiz evangelicalism poured forth in those famous show-stoppers. The most celebrated occurred in Mr. Champion's biggest hit, "Hello, Dolly!" (1964), in which those exquisitely synchronized waiters at the Harmonia Gardens leaped halfway to the roof of the St. James to welcome Carol Channing home. There were also all those trompe d'oeil numbers in which Mr. Champion would start with a quiet, nearly empty stage and then sneak in more and more bodies until finally the audience would find itself ambushed by an explosion of song and dance: "It Takes a Woman" in "Hello, Dolly!," the opening of "Carnival" (1961), "Without Me" in "The Happy Time"(1968), "When Mabel Comes into the Room" in "Mack and Mabel" (1974). Mr. Champion made his effects look simple, but they could only be achieved by a choreographer who combined Busby Berkeley's kaleidoscopic vision with a perfectionist's drive and craft. Amazing as it seems, Mr. Champion often created these spectacles in the midst of a brutal out-of-town tryout: Both the full version of "It Takes a Woman" and the first act finale, "Before the Parade Passes By," were inserted into "Dolly" as the cast played eight performances a week at the end of the show's pre-Broadway tour in Washington, D.C.

Like Busby Berkeley, Mr. Champion could rest his reputation on these big, brash tours de force alone. But they could not contain the full breadth of his affectionate, nostalgic vision. Mr. Champion's musicals also had their tender, simple, pastel-toned sequences which at times echoed the romantic ballroom act he did with Marge. Though these dances were often populated by dozens of couples — as in the "Dancing" number of "Dolly" — they were occasionally quite intimate. In "Bye Bye, Birdie," the wittiest show of his career, Mr. Champion didn't merely create hilarious, frenzied send-ups of Elvis-crazed teenagers; at times he would also stop everything to let his older leads glide about in the moonlight. That show's final number, a loving duet for Dick Van Dyke and Chita Rivera called "Rosie," was a perfect demonstration of how Mr. Champion's grace and utter guilelessness usually saved him from sentimentality. It was also the first of many Champion numbers to be set in or around a picturesque train station. Eventually, trains became Mr. Champion's favorite vehicles for evoking the uncomplicated, idyllic America that was inevitably the subject of his vanishing style of entertainment.

Throughout his career, Mr. Champion was dogged by two persistent and not unjustified criticisms. He was accused of choosing projects indiscriminately and of being unable to weave book scenes and musical numbers into a seamless whole. These failings, of course, fed on each other: If the basic material is piecemeal, not even that master of seamless musicals, Jerome Robbins, would be able to knit it together. Even so, Mr. Champion did create one musical that flowed almost entirely on movement, "Hello, Dolly!," and his flops were sometimes the product of bad luck more than anything else. In "Mack and Mabel," for instance, Mr. Champion had an exciting subject (the silent movie era), two worthy stars (Robert Preston and Bernadette Peters), and easily Jerry Herman's best score ("Dolly" included). Had he not been saddled with one unavoidable, unworkable subplot — movie star Mabel Normand's real-life bout with drug addiction — he might have found a way to give the show the unifying tone it sadly lacked.

"42d Street," is not a great musical by any means, but it is, ironically enough, the perfect monument to Mr. Champion's career. In this show, the choreographer reunited with many of his most frequent and sympathetic collaborators, including Jerry Orbach (who starred in "Carnival"), Michael Stewart (who wrote the books of "Birdie" and "Dolly"), Philip J. Lang (whose brassy orchestrations are intrinsic to nearly every Champion hit), Robin Wagner (who designed the sets for "Sugar" and "Mack and Mabel"), and, of course, the producer David Merrick. The musical they created is, intentionally or not, the quintessential Champion entertainment, flaws and all. "42d Street" apotheosizes all of the choreographer's favorite theatrical playthings — from tap dancers to multi-storied sets to trains. Almost every number makes a cross-reference to his past show stoppers (including some from his flops), and, in many cases, Mr. Champion his topped his own previous achievements.

As a result, audiences will be able to exult in the full dynamism of his talent for as long as "42d Street" runs at the Winter Garden.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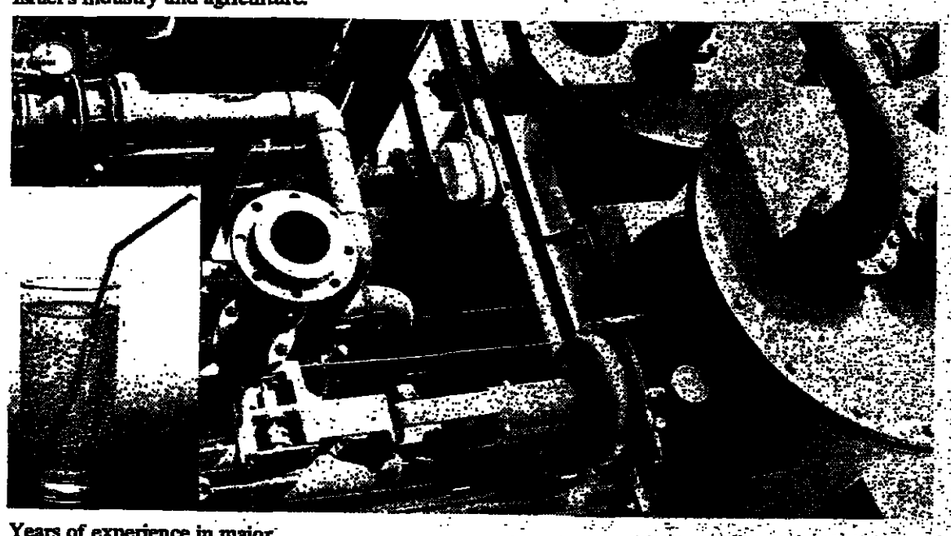

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# Statement of our times

**CINEMA / David George**

LIKE IT OR NOT, director Don Siegel is saying something applicable to our times, reflecting the morals of an age in which the traditional roles of the hunter and the hunted are juxtaposed by expediencies. Huge corporations pay up to revolutionary kidnappers, nations bow down to political hooligans, and governmental agencies frequently use immoral means to secure ends which themselves are highly dubious.

In situations basic to these conditions, Siegel's films nearly all incorporate a theme in which a man seeking the triumph of good over evil has to achieve it by unorthodox methods of his own and in opposition to established law enforcement agencies.

The counter-culture aspect of Siegel's work may help explain why he has become somewhat of a "cult" director, especially with the perceptive young and particularly in Europe where native directors too often forget that the American scene is a microcosm of the way the world is evolving, tending either to knock it or run away from it with movies that are either contemptuous or escapist. Siegal has had the wit and sense to find in the urban jungle a series of morality plays that are potent, significant and dazzlingly entertaining.

A well-selected eight-film retrospective of Siegel's (to be screened this month at the Tel Aviv Cinematheque) supplies insight into both the aesthetic and ethical aspects of this director's work.

When Siegel is hot he's *really* hot. Though action, crime and corruption are his triple-dish, mostly contemporary-urban, sometimes in prison, sometimes in rural America, he also directed John Wayne's last picture, *The Shootist*. Stanley Kauffmann points out the significance of Wayne passing from John Ford to Don Siegel. Ford had a 19th century sensibility, he was a relatively uneducated man with unmistakable genius and an unswerving belief in popular sentimental mythology. Siegel is fully the 20th century man, an educated one (Cambridge and Beaux Arts in Paris), whose vision is so sceptical that his scepticism itself becomes a kind of mythos.

Siegel broke through to cult success in 1954 with *Riot in Cell Block 11*, the first tough X-rated view of prison life. He brought the same breath of fresh air to a stale and stereotyped formula in *Invasion of the Body Snatchers* two years later, and from then on the critics took him up in earnest.

His earlier films were *The Verdict*, *Night Unto Night*, *The Big Steal*, *Duel at Silver Creek*, *China Venture* and *Private Hell 36*, none of which are worth seeing now except by serious students following the development of the director. He finally consolidated his penchant for the action-full crime thriller with a social message with *Crime in the Streets* (1956) which starred John Cassavetes and Mark Rydell. He made his debut on the production side three years later in *Edge of Eternity*, and eventually drew the best of Steve Mcqueen's early performances in the tough *Hell is for Heroes* (1962).

After *Madigan* (1968) he started a creatively and commercially successful venture with Clint Eastwood that continued through *Two Mules for Sister Sarah*, *The Beguiled*, *Dirty Harry*, *Coogan's Bluff* and *Escape from Alcatraz*. (For the sake of trivia buffs, that collaboration was extended when Siegel made one of his rare film appearances by playing the bartender in Eastwood's directorial debut, *Play Misty For Me*.)

Delphine Seyrig and Don Siegel during a break in the filming of *The Black Windmill*.

COLLECTIVELY, Siegel's films bear a very personal stamp. The basic predicament of the individual versus both the forces of good and evil is crucial to much of his story-telling. No great perception is required to realize that Madigan was a prototype for Dirty Harry-or that by 1979 Siegel was simply saying more emphatically and frankly what he could not say with such vehemence in 1960.

Cultists around the world have proclaimed him one of the screen's true artists, describing that stamp as having a spare lean style which tends to draw the best performances out of his cast. Walter Matthau, Michael Caine, Charles Bronson, Clint Eastwood, Robert Mitchum, Steve McQueen and even some of the older-timers such as Richard Widmark, Henry Fonda and John Wayne have been directed by Siegel, and each has given excellent performances under him.

Another distinctive mark of a Siegel film is the roles he assigns to women. Politically, Siegel has been described as being anything from a "right-wing fascist" to a "lefty-pinko freak." No one, however, has ever accused him of being anything but a male chauvinist who tends to place women in roles that Phyllis Schafly would approve of — in the kitchen or under a man. Siegel admits to being upstaged only once by a woman. Delphine Seyrig, says Siegel "walked all over stars Michael Caine and Donald Pleasance" in *The Black Windmill*. "She also walked all over me" says Siegel, who forgives her because she turned out an excellent performance.

Interestingly, it is *Windmill* that remains Siegel's least known film. Though it was a tremendous success in European art-cinemas, it never quite made it commercially in America. The film is an old-fashioned thriller which, while made in 1974, harks back to the sort of movie with which Siegel learned his trade, the '40s thriller.

The stoical hero in *Windmill* is a disillusioned cockney Secret Service Man played by Michael Caine by way of Deighton and Le Carré. His little lady is Janet Suzman who joins him in the hunt for their kidnapped son and the search for the traitor who has leaked vital information from MI6, which will take over a million pounds in uncut diamonds away from Her Majesty's Government.

Though the film is slightly preposterous at times, the situation of the rogue cop bringing villains to justice against odds made heavier by the inhibitions, prejudices and corruptions of the Establishment is clear. The hero is finally hunted not only by the killers and torturers he was seeking to nail, but also by Scotland Yard, MI5, Interpol and the Paris Police.

The whodunit aspect of the film is a good one. Who can it be? Dependable Patrick Barr, lecherous Joseph O'Connor, or dastardly Donald Pleasance? It couldn't possibly be lovely and deadly Delphine Seyrig.

Though the film has its lapses, Siegel makes up for them with enough edge-of-the-seat action, including a chase through the London underground and the magnificent explosion of a huge wine vat (a pleasant Beaujolais).

It is easy to forgive Siegel his chauvinism and occasional other other failings, because each of his films abounds in breathtaking action and has style to burn. Rich, intelligent in detail and resonant with wry observations on human nature. Siegel's is definitely the stamp of a major director whose heroes tilt their lances with far more accuracy than Don Quixote could ever have hoped for.

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**AVIVA MARKS' presentation of *A Lovely Light* — a dramatization of the poems and letters of Edna St. Vincent Millay — at Tzavta (Tel Aviv) on Wednesday at 9 p.m. will be in English, and not as suggested in *The Post* last Friday.**

# Tears on demand

**By MARSHA POMERANTZ / Jerusalem Post Reporter**

ANYONE who can turn tears on and off like clockwork in front of a microphone must have God on her side. But I'm not sure that the Rabbanit Esther Jungreis does justice to her God, flogging His Judaism like aspirin for the Existential Headache.

The Rabbanit, who heads the American Hineni Movement for Jewish revival, spoke to a crowd of about a thousand last week in the amphitheatre of Jerusalem's Liberty Bell Garden.

She was preceded by a series of canned Hebrew songs, each one ending with a finale which made her appearance seem imminent. It wasn't. The tension of anticipation continued to build until, finally, she emerged, sleek in her silky, long-sleeved, purple blouse, black belt and long white A-line skirt.

Her presentation began with the testimony of satisfied customers, the converted. Danny Cohen; a former head of Jews for Jesus; Alexander, "the only Jew from Communist China"; and three or four other males, each of whom came out on stage for a round of applause from the audience.

Hineni, the Rabbanit explained in decorous, mostly-grammatical Hebrew, is a "revolutionary movement." She knew her lines by heart: the poor Jew lost among the nations, the "small point of light in the heart" which was an "echo from Sinai" calling you back to whatever.

There is something serious in her motivation — and a maddening discrepancy between that and her show.

Much of her address is to American Jews — and, she reminded the audience, she has filled Madison Square Garden with 24,000 of them. To them the message is, more or less, "You have given your children everything [material] and they have nothing [spiritual]."

WITH ISRAELIS she is more careful, and even apologizes for the limitations of her Hebrew and for daring, as a foreigner, to point out the ills of Israeli secularism.

To Israelis the message is: "If Tora isn't our *shtar* (promissory note), what right do we have to be here?" i.e., if you don't believe this is the Promised Land, you may as well be in Uganda.

Her premises are worthy of attention; the malaise she detects is real and obvious. But her method is to try to arouse guilt and fear in sufficent quantity to satisfy a dozen Jewish mothers.

Rabbanit Esther Jungreis (Mike Goldberg)

The show goes on: she evokes Bergen Belsen (she herself was there). At the train station, a small boy stumbles in a crowd, is shot by a snickering Nazi. An old man, on the way to execution, takes out a canteen of water. Perhaps he wants to wet his parched lips before death? No, it's for ritual cleansing. He washes his hands and recites the Kaddish prayer and goes bravely to his death.

The Rabbanit Jungreis allows her voice to break. There is a musical interlude.

Now we are asked to meet Melanie, "an American who was written up in *The New York Times*." A nice Jewish girl who died of an overdose in a Kabul bazaar. Why? "Because no one told her that her name wasn't Melanie, but Miriam, Sara, Rahel, Lea" and so on through the Mothers of Israel. Then the Rabbanit talks to the dead Melanie, weepily.

SHE DIDN'T EVEN begin to address herself to some pertinent questions:

What is the meaning today of Shabbat, kashrut, ritual that keeps the family together? What about the feeling of many non-observant immigrants that being in Israel "identifies" them sufficiently, and they no longer need ritual to distinguish them from other peoples? What about traditional Jews who choose to observe certain rituals for their emotional significance, without acknowledging a divine origin for those practices?

Most salesmen offer samples of their wares. They open the box and give you a glimpse of what's inside. But the Rabbanit, like an insurance agent, just talked about the dire consequences of being without.

She was appalled, she said, to read a recent newspaper interview with "the son of a famous Israeli," who said he regarded the Western Wall more or less the way he regards a tennis court.

It's a serious problem. I would have appreciated a bit more honesty in dealing with it. What happens to a people nourished on longing for 2,000 years, when their dream is finally realized?

If our concerns as Jews are really spiritual and not material, how do we account for our relationship to the stone of the Second Temple? Idolatry is banned; how many lives should be sacrificed for a bit of bedrock around Hebron? Whose lives?

But treating the subject with the seriousness it deserves requires some subtlety. Crowds don't like subtlety, and the Rabbanit Jungreis obviously likes crowds.

Advt.

# SHOPPING UNLIMITED shops and services in Jerusalem

by Barbara Eskin

### FINE ISRAELI CERAMIC ART

The Jerusalem Artists Workshop fits beautifully and naturally into the stone drama that is the Jewish Quarter. Moshe Rosenshine, the proprietor is a former American whose love of ceramic art led him to open the Jerusalem Artists Workshop. He believes in the high quality of Israeli art, and his shop features pieces of sculpture, reliefs and functional ceramic art by talented Jerusalem artists at the most reasonable prices. He also exports abroad and distributes to fine shops in Jerusalem. We who live here, can now add beauty to the interior of our homes in the form of an incomparable piece from the Workshop, and tourists will find that special something to bring home, all at moderate prices. The Jerusalem Artists Workshop is located on 7 Tiferet Yisrael St. in the Jewish Quarter, buses 1, 38. A must.

### DESIGN YOUR OWN NEW YEAR CARDS

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### THE BIBLE COMES ALIVE IN SILVER SCULPTURE

Yaakov Heller, a former American from Ohio, has lived in Israel since 1972. Drawing inspiration from the mystical beauty of Jerusalem, he has become world renowned for his silver sculpture based mainly on Biblical subjects. His statue of David and Goliath was presented to Gerald Ford in 1974. Other sculptures depict such scenes as the expulsion of Adam and Eve from the Garden of Eden, Moses receiving the Ten Commandments, the Last Supper and many more, all in exquisite silver detail. Yaakov Heller has also created a unique line of gold and silver jewelry. Visit Yaakov Heller's three locations, and see the Bible come alive. In Jerusalem — 22 King David St. (opp. King David Hotel) Tel: 02-233235, — Tel Aviv — in the Ramada Continental Hotel, and in old Jaffa — Gallery Atik, Tel: 03-826796.

### EXCLUSIVE DESIGNS AT REASONABLE PRICES

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You'll find branches of this great shop at the Dan Tel Aviv, Dan Caesarea, and King David (02-231111).

### FOR YOUR INFO.

If you are interested in having your product or business featured in this weekly column, contact Barbara at 02-818718.

### 20% DISCOUNTS ON ALL BOOKS

The only bookstore in Israel that gives a 20% discount on all their books, including the newest bestsellers flown in from the States, is Bestsellers. For tourists, Bestsellers is a great place to relax after a long day's touring, where you can get a free cup of coffee and feast your eyes on their wide selection of books, non-fiction, art, religion, cooking and the greatest new novels. Locals, too, can browse to their heart's content with a cuppa and even buy secondhand. Two new bestsellers are now available: Sophie's Choice by William Stryon and Dead Zone by Stephen King, plus Asterix in all languages. Bestsellers is located on the 3rd floor of the Clal Centre, Jaffa Rd. Tel. 245813.

### WHO NEEDS A PHONE?

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### NEW, NATURAL ICE CREAM

For those who love real, wholesome, home-made ice cream, as opposed to the chemical-laden ice cream commercially available, The American Israeli Health Food store at 78 Jaffa Road has good news. It has arranged with the Igloo Ice Cream Company for supplies of a new line of all natural ice cream and parve sherbet. The American Israeli Health Food Store is the only place in Israel where you can get this ice cream made with fresh ingredients, brown sugar and molasses. Readers are invited to visit the shop and taste the difference. Air-conditioned comfort. Open all day till 7.30 for your convenience. Terumot, Maasarot and Shemita all strictly observed. Tel. 249031.

### GREAT SAVINGS IN GIVAT SHAUL

Ross and Malka, two immigrants from the U.S., have opened Zolbo, an American-style discount store in Givat Shaul. They carry food products, canned goods, household products and porch furniture, all at great savings. They are willing to sell at a lower mark-up than the usual, in order to make your lives easier. And located right next door is a discount kosher meat store. So with one stop, you can stock up on everything. In these inflationary times, you can't afford to overpay on basics. Visit Zolbo and enjoy low prices and courteous service. Located on 8 Nagara St., Givat Shaul.

### GIFTS GALORE

Why run around needlessly for gifts and souvenirs when you can find them all in one place? Shopping 2000 has it all. A beautiful selection of posters, framed pictures, painted multi-purpose boxes, mugs, lampshades, greeting and post cards and loads of terrific knick-knacks can be had at most reasonable prices. Pick up all your gifts (and maybe something special for yourself) at Shopping 2000, located in the centre of Jerusalem's commercial area, 23 Hillel St. in the shopping passage behind the Jerusalem Tower Hotel. Tel. 238861.

### CAR ACCESSORIES AT LOWEST PRICES

A survey made by the Ha'aretz newspaper cited Solomon's Auto Accessories as the cheapest shop of its kind in Jerusalem, and the big sales are starting now! Here are a few examples of their unbeatable prices: white outside covers from IS168, seat covers — IS67.20 (and you get a free steering wheel cover with every purchase) roof racks IS112, or rent them for short periods, front window sun screens — regular price IS12, Solomon's price IS8.80, air pressure gauges only IS15.50 (down from IS19.60). These are just a few of the inflation busting prices at Solomon's. YOU can refer to Kol Ha'ir, given out free on Fridays, for their full page display ad. Located at 24 Agron St., opp. Independence Park. Tel. 248925.

### ONE PAYMENT FOR A LIFETIME VACATION

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### SAVE MONEY ON FOOD

In these hard economic times, we are all looking for bargains. Well, search no more! Cheapmarket sells quality food products, frozen kosher meats, canned goods, cosmetics and cleaning products with up to 30% lower prices in many cases than any place in town. Even milk products are 10% lower and ice cream 20%. Their prices are so low because you only pay for the item, you don't share in the cost of maintaining a large staff or luxurious surroundings. There is home delivery for purchases above IS500. They also have a large parking lot for your convenience. Cheapmarket is located in the Givat Shaul industrial area — at the end of the No. 11 bus line on the continuation of the Angel Bakery Rd.

### LIGHT UP YOUR HOME...

... with beautiful lamps and lampshades from Stern on Straus St. Stern's have the largest selection of unique light fixtures in Jerusalem. You can choose from ultra modern designs or more conservative, to suit your taste and home decor. You will find a variety for every room in your house, in stainless steel, crystal and plastic, including ornamental garden and balcony lights. At A. Stern you can really light up your home... beautifully. You'll find them at 16 Straus St. Tel. 245560.


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**Hunting Licences**

Because of postal problems, the validity of hunting licences for the year now ending is extended until September 15, 1980.

# Recession makes West cut aid to Third World

By KEN LAIDLAW

The task before the UN General Assembly Special Session – to map out economic relations between rich and poor countries over the next 10 years – is a formidable one, especially in these days of world recession.

Ministers from more than 150 countries will be asked to reach agreement on a strategy for the Third Development Decade and an agenda for next year's "Global Round" for negotiations between the North and South. The session started on August 25 and runs to September 5.

Judging from the preparations to date there is little ground for optimism that Thrird World ministers will leave UN headquarters in New York satisfied with what has been achieved.

Faced with rising unemployment and persistent inflation, the rich countries are in no mood to make commitments to Third World nations whether in the form of increased aid or in curbing their protectionist measures. Any commitments these countries make will fall far short of what the poor countries will be demanding.

The recently published Brandt Commission Report called for a massive effort to assist the developing countries. The commission said an extra $150b. was needed as quickly as possible.

But what of the last two UN Developmet Decades? Shridath Ramphal, secretary general of the Commonwealth has said that "by 1985 there is likely to be an increase of $50 per capita in the annual incomes of the poorest group of countries over 1965 incomes, compared with an increase of $3,900 per capita for those of the richest — who were already, in 1965, 3000 per cent better off."

This is a depressing picture and one which is unlikely to alter unless there is a radical change of attitude among Western leaders. If there is any hope to be gleaned that the Special Session and the Global Round will achieve reasonable success it is from the fact that these leaders are becoming increasingly aware thattheir domestic economies are more and more vulnerable to a further weakening of Third World economies.

The West is increasingly dependent on the South for raw materials, the sale of their goods, services and technology which are crucial in curbing unemployment within industrialized countries. In a European Economic Community paper prepared for the Special Session the point is made that the Community is dependent on the Third World for over 20 per cent of its export earnings.

Such interdependence could in time lead to a more enlightened approach to the fate of the Third World by the developed countries.

Already high on the agenda of concerns among Western leaders is whether the international financial system can cope with the re-cycling of oil exporting countries' surplus now estimated at $110b.

After the initial oil price rise in 1973 it was the poor countries which prevented the anticipated recession in Western countries by borrowing vast sums of money, mainly from commercial banks, to purchase goods from industrialized countries. With their debts now standing at close to $300b. the bank loans are beginning to dry up.

**To overcome the recycling problem the rich countries are arguing for an expanded role for the International Monetary Fund. This is not far enough for the Third World. The poorer nations want to negotiate a complete reform of the international monetary system, giving them a greater role in its decision-making structure and less conditionality on IMF money.**

**As to aid, the developing countries have specific demands. They want the developed countries to make binding commitments to an annual growth rate in their official aid in order to reach 0.7 per cent of their GNP by 1982 and 1 per cent by the end of the decade.**

The rich countries, or at least most of them, are adamant that they cannot agree to bind themselves to quantitative targets. Certainly, considering recent aid performances of the rich countries there would be no chance of them reaching the targets propo /sed y b the poor countries.

The recent World Development Report predicts that combined aid as a percentage of GNP of OECD countries will in fact drop from a present average of 0.35% to 0.30% by 1985.

Energy is one issue where both sides may reach some kind of agreement on what needs to be negotiated. The cost of oil imports for developing countries has more than doubled in the last two years alone from $30b. to $65b.

Third World oil importers can see advantages in the industrialized countries' proposals that more predictable prices and supplies of oil should be a subject for negotiation. But if there is to be agreement on this then the rich countries will have to be more willing to accept some formula for protecting oil prices a9ainst Western inflation.

By the end of the 70's developing nations' share of world industrial production stood at a meagre 9 per cent. Third World countries want this raised at least 25 per cent by the year 2000.

If this target is to be reached, and the target being put forward at the Special Session of a 10 per cent annual growth in their manufacturing, the increased protectionism by industrialized countries will have to be curbed.

The poor countries are demanding that tariff barriers be dismantled, that they have greater access to developed country markets for their processed agricultural products and that the Generalized System of Preferences be extended and legalized.

All of this, the Third World argues, should be negotiated at an International Trade Conference which would revise rules governing international trade with the aim of increasing the Third World's share.

They are also calling for the establishment of a North/South Global Fund for the promotion of industrialization which would have an annual capital of $15b.

Other targets called for include an annual growth in developing countries of 7.5 per cent per year, a per capita income growth of 5.0 per cent, export growth of 8.5 per cent and agricultural production growth of some 4 per cent each year.

What can be expected in New York is at most agreement between rich and poor on the general features of the Third Developent Decade strategy. But if targets are agreed too they will be much lower than those proposed by the developing countries.

Within today's international climate it would be unrealistic to expect any of the targets proposed by the poor countries to be reached by the end of this decade.

The fact is that despite such international gatherings attempting to negotiate strategies and growth targets, the harsh, reality is that the decade ahead promises to be one of increasing poverty, political instability and confrontation between the haves and the havenots. **(Gemini News Service)**

# Poor want 'brain drain' compensation

THOMAS LAND/Vienna

Poor countries want industrialized nations to compensate them for the loss of talented people who choose to work in the West.

"The skilled fellow who comes from our country belongs to us," argued Surendra Patel of India, director of the UN Conference on Trade and Development (UNCTAD), at a meeting here about the world's imbalance of professional personnel.

"From his childhood, we clothed him, we fed him, we invested in him. If some country takes him away, we should get an equivalent financial compensation."

He estimates that the "brain drain" has cost poor countries $6b. in the past decade, assuming an annual exodus of 50,000 skilled workers.

UNCTAD is considering the idea of a special fund through which the recipients of "exported talent" will be able to make amends.

The case for compensation has been strengthened by a World Health Organization study showing that 85 per cent of migrant doctors practise in just five countries — Australia, Canada, Britain, the U.S. and West Germany. In Britain, a quarter of practising physicians are foreign graduates, mainly from the Commonwealth. In Canada, the figure is one in three.

African doctors tend to favour Europe and Canada, while Latin Americans head for North America and Asia. A new development is the emergence of oil-rich North Africa and the Middle East as a magnet for imported medical and other skills.

There is another side to the coin: many doctors from rich nations choose to work in the Third World from a sense of vocation. Thus Australia, Britain, Canada and West Germany are net exporters of medical talent.

In fact, the study gives ammunition to both sides. It argues that many migrant physicians "would most probably, not have found suitable employment (at home) and might even have become a charge on the economy."

One important factor in the migration of physicians is that medical studies in the developing countries are still based largely on the standards and expectations of the West.

Another is, as WHO puts it, "the fact that the money spent on the education of these emigrant physicians would have been better spent on other and more appropriate forms of health personnel and health care."

**(London Observer Service)**

# Carlton Penta Hotel to open by March

Jerusalem Post Reporter

TEL AVIV. — The first hotel in Israel to belong to a European hotel chain is due to be completed next March in Tel Aviv's Kikar Atarim.

The Carlton Penta Hotel, which is privately owned, will be marketed throughout the world by the Penta hotel chain. The chain is jointly owned by British Airways, Lufthansa and Swissair, Menahem Eyal, the hotel's director of marketing and sales, said recently.

The hotel will consist of 282 rooms, including eight suites, and two penthouse suites. The hotel will also offer a roof-top swimming pool and convention facilities, Eyal said.

Penta has already begun marketing the new hotel in Europe and Japan and is expecting a full house for Pessah. The Penta Carlton was designed by architect Ya'akov Rechter and decorated by Buky Zuker.

# Processed 'night soil' to be sold as compost

TOKYO (AP). — Farmers need no longer turn up their noses at "night soil," says the Tokyo Bureau of Sewerage, which as of next month will begin producing two to three tons a day of packaged sewage for garden compost.

A bureau official said recently that after spending 400 million yen ($1.8m.) in research, it has developed a fertilizer from human waste which is safe, effective and capable of restoring land turned acidic by use of chemical fertilizers.

He said experiments have shown that application of the waste-based fertilizer increases yields of radishes, pears and spinach from 9 to 74 per cent, "and the vegetables are very tasty," he added.

Almost 50 per cent of the waste flowing into disposal plants can be converted into compost by the process of dehydrating the waste and fermenting the organic materials in the remaining sludge, he said.

The fertilizer, to be packaged in 20-kilogram bags, will be sold to Tokyo area farmers through the national agriculture cooperative system.

# Products from Australia

By MACABEE DEAN
Jerusalem Post Reporter

**A FOUR-WHEEL** drive tractor, powered by an 18.8 litre turbo-charged diesel engine of 525 hp, designed for broad acre farming.

Contact: E.M. Baldwin, 50 Showground Road, Castle Hill, New South Wales, 2154, Australia.

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Contact: Casa Billiards, 172 Guildford Rd., Maylands, Western Australia 6051.

**FLOWERS.** — The Education Ministry and the Society for the Protection of Nature have published 10 new colour posters of Israeli wildflowers for use in schools, youth clubs and community centres.


THE JERUSALEM POST

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# WHAT'S ON

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## Jerusalem

**MUSEUMS**

**Israel Museum. Exhibitions:** Permanent Collection of Judaica, Art and Archaeology; Edvard Munch, 1863-1944; Jewelry from Canaan 1600-1200 B.C.E.; Rock Engravings from Negev and Sinai; Mexico: Exhibition of Mexican Folk art; Buky Schwartz: Videoconstructions (closed Saturdays); Animals at the Israel Museum; Ladejinsky Collection of Asian Art; Maremont Collection of Pre-Columbian Art; Trends in Geometric Abstractions after Cubism; Hebrew Script and Inscriptions; **Rockefeller Museum:** Function and Design in the Talmudic Period.

**Israel Museum:** Open 10-5. Open tomorrow 4-10. At 3.30: "Cinderella" children's film.

**Guided Tour at Israel Museum:** Sun., Mon., Wed., Thur. 11; Tues. 4.30.

**Shrine of the Book:** Sun., Mon., Wed., Thur. 10-5; Tues. 10-10; Fri., Sat. 10-2.

**Rockefeller Museum:** Sun.-Thur. 10-5, Fri., Sat. 10-2.

**Old City Art Guide**

**The Jerusalem Artists Workshop,** 7 Tiferet Israel, Jewish Quarter. Open 9 a.m. — 8 p.m. (closed Shabbat hours). Ceramic arts, sculptures, reliefs, artistic functional pottery, serigraphs.

**CONDUCTED TOURS**

**Hadassah Tours**

1. Morning half-day tour of all Hadassah projects. $5 per person towards transportation. Reservations: 02-416333, 02-426271.
2. Medical Centre, Kiryat Hadassah, Tours: 9, 10, 11, noon, leaving from Kennedy Bldg., incl. Chagall Windows. Friday tours begin at 8 a.m. by appointment only. Tel. 02-416333 or 02-426271.
3. Hadassah Synagogue-Chagall Windows: Open to public from 1.30-3.45 p.m. Sunday-Thursday. Buses 19, 27
4. Mt. Scopus Hospital: tours at 9, 10, 11, noon. No charge. Tel. 02-818111. Buses 9, 28.

**Hebrew University:**

1. Tours in English at 9 and 11 a.m. from Administration Building, Givat Ram Campus. Buses 9 and 28.
2. Mount Scopus tours 11.00 a.m. from the Bronfman Reception Centre, Sherman Building. Bus 9 and 28 to last stop. Further details: Tel. 882819

**Emunah — World Religious Zionist Women:** 26 Ben Maimon. Visit our projects: Jerusalem 662468, 630620; Netanya 053-24430; Haifa 04-236031.

**American Mizrachi Women. Free Morning Tours** — 20 Balfour Street, Jerusalem, Tel. 663503.

**Plant a Tree with your Own Hands with the Jewish National Fund at Abu Tor-Jerusalem Peace Forest.** Sunday planters' tours include visit to Stalactite Cave. Details/reservations: 02-635261.

**Jerusalem Biblical Zoo,** Schneller Wood, Romema, Tel. 814822, 7.30 a.m.-7 p.m.

## Tel Aviv

**Tel Aviv Museum. Exhibitions:** Fleeting Gestures. Treasures of Dance Photography. Contemporary British Drawings. Weegee — Naked City. European and American art collections. Prints and drawings from the collection. **Visiting hours:** Sun. — Thur. 10 a.m.-10 p.m. (permanent exhibitions 10 a.m.-5 p.m.) Sat. 10 a.m.-2 p.m.; 7-11 p.m. Closed Fri. except box office — open 10 a.m.-1 p.m. Helena Rubinstein Library: Sun., Mon., Wed. 10 a.m.-4 p.m. Tue., Thur. 10 a.m.-1 p.m.; 4-8 p.m. Graphics Study Room: Mon., Wed. 10 a.m.-1 p.m., Tues. 5-8 p.m.

**CONDUCTED TOURS**

**ORT Israel:** For visits please contact: ORT Tel Aviv, Tel. 233231, 775131; ORT Jerusalem, Tel. 533141; ORT Netanya, Tel. 33744.

**American Mizrachi Women. Free Morning Tours** — Tel Aviv. Tel. 220187, 243106.

**Pioneer Women-Na'amat.** Morning Tours. Call for reservations: Tel Aviv 256096.

**Emunah-World Rel. Zionist Women.** Visit our projects: Call 03-788942, 708440.

**MISCELLANEOUS**

**Plant a Tree with your Own Hands,** with the Jewish National Fund. Transport to Modi'in centre, Tuesdays. Details/reservations: 03-234449 or 02-635261.

## Haifa

What's On in Haifa, dial 640840.

**REPORT SUSPICIOUS OBJECTS!**

# GENERAL ASSISTANCE

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**Tel Aviv:** Nezah Israel, 11 Nezah Israel, 226545. **Holon:** Kiryat Sharet, Comm. Centre, K. Sharet, 803270. **Bat Yam:** Mazur, 20 Haviva Reich, 583360. **Ramat Gan:** Assuta, 41 Jabotinsky, 731874. **Bnei Brak:** Refuah, 62 Rabbi Akiva, 782278. **Netanya:** Hadassah, 24 Herzl, 22243. **Hadera:** Hanassi, 42 Weizmann, 24231. **Haifa:** Hagiborim, 28 Hagiborim, 239573. **Beersheba:** Hanegev, 108 Keren Kayemet, 77016.

## DUTY HOSPITALS

**Jerusalem:** Bikur Holim (pediatrics), Hadassah (internal, surgery, orthopaedics, E.N.T.), Misgav Ladach (obstetrics), Shaare Zedek (ophthalmology).
**Tel Aviv:** Rokah (pediatrics), Ichilov (internal, surgery).
**Netanya:** Laniado (obstetrics, internal, pediatrics).
**Haifa:** Carmel.
**Misgav Ladach:** Open line 4-6 p.m. every Monday answers to obstetrics, gynaecological, sterility and family planning problems. Tel. 02-633356.

## FIRST AID

Magen David Adom first aid centres are open from 8 p.m. to 7 a.m. Emergency home calls by doctors at fixed rates. Sick Fund members should enquire about rebate.

Phone numbers: Jerusalem, Tel Aviv, Haifa — 101. Dan Region (Ramat Gan, Bnei Brak, Givatayim, Kiryat Ono) — 781111.

| | |
|---|---|
| Ashdod 22222 | Nazareth 54333 |
| Ashkelon 23333 | Netanya 23333 |
| Bat Yam 885555 | Petah Tikva 912333 |
| Beersheba 78333 | Rehovot 054-51333 |
| Eilat 2333 | Rishon LeZion 942333 |
| Hadera 22333 | Safed 30333 |
| Holon 803133 | Tiberias 20111 |
| Nahariya 923333 | |

"Eran" — Mental Health First Aid, Tel.: Jerusalem 669911, Tel Aviv 253311, Haifa 538888, Beersheba 32111, Netanya 35316.

**Rape Crisis Centre (24 hours), for help** call 03-441341, Tel Aviv, 04-88791 Haifa.

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YAMIT: Tel. 057-87170

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Jerusalem: 02-862844
Petah Tikva: 03-926345


## SUNSET-SUNRISE

1. Sunset 19.06: Sunrise tomorrow 06.16

## POLICE

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# TWO-IN-ONE CROSSWORD

Use the same diagram for either the Cryptic or the Easy puzzle.

## CRYPTIC PUZZLE

**ACROSS**

1 Complaint from mother and some chaps (5)
6 Such a car is bigger than a cab (5)
9 Just what you need for a cereal repast (7)
10 Enormous soldier ant (5)
11 Club and church group (5)
12 (It's clear I'm in the scheme (5)
13 A fault that makes me tired (7)
15 Elizabeth's flutter? (3)
17 River duck with red back (4)
18 Lady of Spain (6)
19 Points out the front end (5)
20 Measure the distance, James (6)
22 River used by a navy, if nothing else (4)
24 Certain letters, or a noted manuscript (3)
25 Cheer a film-star in general (7)
26 Very hot, that is, among minor swimmers (5)
27 Sportsmen with the hump? (5)
28 You can't see them doing much harm! (5)
29 From overseas, I can join the RAF, possibly (7)
30 Yarn on the floor? (5)
31 A ton in a way? (5)

**DOWN**

2 Joined the club (6)
3 Think of water with hesitation (6)
4 Had the rest of the session (3)
5 Detected a rat? (5)
6 Politicians who can bite, possibly (7)
7 Man from Alabama North (4)
8 Security device, for a change (6)
12 Put it on afore doing certain jobs (5)
13 A trick to get away with (5)
14 Males have a consuming interest in them (5)
15 Bored-sounding directors (5)
16 Natural weapon in a mortal onslaught (5)
18 Uncivil, outwardly sly (5)
19 Meet and speak about a broken fist (7)
21 A stubborn type on the tee, but with charm (6)
22 Adventurers' arrival (6)
23 Paul, a *beginner*? (6)
25 Grand weather for cereal! (5)
26 Lack confidence in a change of fare (4)
28 You can hang up such a mask (3)

## EASY PUZZLE

**ACROSS**

1 Normal (5)
6 Set (5)
9 Enterprise (7)
10 Hall (5)
11 Doorman (5)
12 Hobbles (5)
13 Caught on a jag (7)
15 Thin wood (3)
17 Rim (4)
18 Read over (6)
19 Michaelmas daisy (5)
20 Kind (6)
22 Be afraid (4)
24 Consume (3)
25 Demands emphatically (7)
26 Peers (5)
27 Dry stalk (5)
28 Pungent vegetable (5)
29 Roofed platform (7)
30 Staple food (5)
31 Finished (5)

**DOWN**

2 Beach (6)
3 Get retribution (6)
4 Bad tennis service (3)
5 Sober (5)
6 Saddle-strap (7)
7 Not so much (4)
8 Takes illegally (6)
12 Property contract (5)
13 Waterside plant (5)
14 Representative (5)
15 Heaps (5)
16 Long periods (5)
18 Horse controls (5)
19 Permitted (7)
21 Christian festival (6)
22 Smoked haddock (6)
23 In (2, 4)
25 Perfect (5)
26 Volcanic discharge (4)
28 Poem (3)

**Yesterday's Cryptic Solution**

ACROSS.—1, Clubs. 8, Punch. 10, Rhine. 11, Tor. 12, Man-or. 13, De-wager. 15, Keels. 18, Pan. 19, Red-den. 21, Best man. 22, Hare. 23, Peak. 24, Polled. 26, We-asel. 29, O-ar. 31, Sidle. 32, Ketch-up. 34, I-liaD (Dull). 35, Hums. 36, Sham-E. 37, Be-gin. 38, Erred.

DOWN. — 1, Put on. 2, Scrapes. 4, L-ear. 5, Broken. 6, Shred. 7, Angle. 9, No-W. 12, Men-thol. 14, Gas. 16, Edged. 17, Snake. 18, Radiced. 20, S-how-S. 21, Bread. 23, Perch-Ed. 24, Peeler. 25, Cat. 27, Eight. 28, Slime. 30, Humid. 32, Kate. 33, Hag.

**Yesterday's Easy Solution**

ACROSS.—3, Frill. 8, Batch. 10, Bases. 11, Cot. 12, Ready. 13, Berries. 15, Genus. 18, Elm. 19, Aerate. 21, Islands. 22, Pons. 23, Meat. 24, Invites. 26, Cleans. 29, Ran. 31, Tarts. 32, Vendors. 34, Tuber. 35, Ins. 36, Stair. 37, Sneak. 38, Cells.

DOWN.—1, Facet. 2, Actress. 4, Rues. 5, Ledges. 6, Layer. 7, Debut. 9, Tor. 12, Remains. 14, Ill. 16, Names. 17, Sense. 18, Admirer. 20, React. 21, Inter. 23, Mending. 24, Insure. 25, Tan. 27, Lasts. 28, Attic. 30, Break. 33, Veal. 33, Ore.

SOLUTIONS TO TODAY'S PUZZLE TOMORROW

هكذا من الأصل

# Money Matters

هكذا من الأصل

## Expanding market for increased potash output

By MACABEE DEAN
Jerusalem Post Reporter

TEL AVIV. — When Jordan's "Arab Potash company" goes into full production sometime in the spring of 1983, its estimated output of 1,300,000 tons a year will not lower world prices, according to a spokesman of the (Israeli) Dead Sea Works.

The latter is now producing 1,300,000 tons a year, and present expansion plans will raise this figure to an estimated 2,100,000 tons a year.

International trade in potash (which does not include that refined and used in the same country) is estimated at upwards of twenty million tons a year.

"The demand for potash is increasing at about a rate of five per cent a year, so neither our increased production, or Jordan's entering the scene will have, it is believed, any depressive effect on the world's price."

However, the Dead Sea Works spokesman did believe that if Jordan began to refine bromine — which it has vague plans to do at a later date — this might depress world markets since demand for this mineral is not growing so fast.

The "Arab Potash company" is a $45m. project. Of this sum, the U.S. Agency for International Development is supplying $38m.; the World Bank is putting up $35m., and the rest is coming from diverse sources, but mainly the Libyan Bank, the Iraqi Fund, the Kuwaiti Fund and a special OPEC fund.

Jordan plans to transport the potash in trucks to the port of Akaba where it will be loaded on ships. Jordan also expects to ship considerable quantities from Akaba, as Israel does from Eilat, to Asian countries.

## Treasury planning revamped

Post Economic Reporter

The Treasury department for foreign relations and the Arab boycott, orphaned since Daniel Halperin was appointed economic minister in Washington, will from now be directed by Ephraim Davrat, for many years economic adviser to the finance minister. He will be assisted by his deputy in his former job, Daniel Tatty.

The office of the economic adviser to the finance minister has been absorbed into the economic planning authority, which will from now on be called "the planning and economic advisory authority," under its director Prof. Ezra Sadan.

The planning and economic advisory authority will have three divisions. The follow-up and current advisory division will be headed by Ruth Lowenthal, who until now was a department head under Ephraim Davrat, and will now be a deputy head of the authority.

The division for macro-economics and overall planning will be headed by deputy chief David Brodt, and the division for sectoral development will be headed by Zeev Ellenbogen, who is first deputy to Prof. Sadan.

## Hadera Paper dividend

Jerusalem Post Reporter

TEL AVIV. — The Board of Directors of Hadera Paper Mills has decided to allocate a 20 per cent cash-dividend and 40 per cent bonus shares on account of the 1979-80 fiscal year.

Sales in 1979-80 were IL2.7 billion compared to IL1.3 billion the previous year, and net profits were IL436.5m. in 1979-80 compared to IL293.5m. the previous year.

The company sold 121,000 tons of paper in the last fiscal year compared to 110,000 tons in 1978-79.


UNITED MIZRAHI BANK LTD

### Foreign Currency Rates for 31.8.80

| Country | Currency | | Cheques and transactions Buying | Cheques and transactions Selling | Banknotes Buying | Banknotes Selling |
|---|---|---|---|---|---|---|
| U.S.A. | Dollar | 1 | 55.5713 | 55.9887 | 55.2200 | 56.3400 |
| Great Britain | Sterling | 1 | 132.7042 | 133.7010 | 131.8700 | 134.5400 |
| Germany | Mark | 1 | 31.0280 | 31.2611 | 30.8300 | 31.4600 |
| France | Franc | 1 | 13.3616 | 13.4620 | 13.2500 | 13.5500 |
| Holland | Gulden | 1 | 28.4548 | 28.6680 | 28.2700 | 28.8500 |
| Switzerland | Franc | 1 | 33.6999 | 33.9531 | 33.4900 | 34.1700 |
| Sweden | Krona | 1 | 13.3264 | 13.4265 | 13.0700 | 13.5100 |
| Norway | Krone | 1 | 11.4721 | 11.5583 | 11.2500 | 11.6300 |
| Denmark | Krone | 1 | 10.0065 | 10.0816 | 9.8100 | 10.1400 |
| Finland | Mark | 1 | 15.1834 | 15.2974 | 14.8900 | 15.3900 |
| Canada | Dollar | 1 | 48.0247 | 48.3854 | 47.3400 | 48.6900 |
| Australia | Dollar | 1 | 64.7405 | 65.2268 | 62.0200 | 66.2300 |
| South Africa | Rand | 1 | 73.1318 | 73.6811 | 57.6300 | 77.2600 |
| Belgium | Franc | 10 | 19.3291 | 19.4743 | 18.8200 | 19.6000 |
| Austria | Schilling | 10 | 43.8432 | 44.1725 | 43.5700 | 44.4500 |
| Italy | Lire | 1000 | 65.1557 | 65.6450 | 57.5600 | 66.0600 |
| Japan | Yen | 1000 | 253.9821 | 255.8898 | 252.3800 | 257.5000 |

### "Dollar Paz" and "Euro Paz" Buying and Selling rates for 31.8.80

| | | Buying | Selling |
|---|---|---|---|
| "Dollar Paz" | 1 unit | 204.2267 | 205.7607 |
| "Euro Paz" | 1 unit | 284.0310 | 286.1644 |

### Interest rates (%) for non-resident deposit accounts (Patach) and Israeli resident deposit accounts (Patam) for 1.9.80

| | | Patach 3 | Patach 6 | Patach 12 | Patam 3 | Patam 6 | Patam 12 |
|---|---|---|---|---|---|---|---|
| U.S.A. | Dollar | 11⅝ | 11⅞ | 12 | 10 | 10⅜ | 10⅞ |
| Great Britain | Sterling | 16⅛ | 15⅞ | 15 | 15 | 14⅞ | 14 |
| Germany | Mark | 8¼ | 8¼ | 8⅛ | 7⅛ | 7⅛ | 7 |
| Holland | Gulden | 10¼ | 10¼ | 10 | 9¼ | 9⅜ | 9¼ |
| Canada | Dollar | 9⅞ | 10⅛ | 10⅞ | 9 | 9⅝ | 10⅛ |
| France | Franc | 11⅛ | 12 | 12⅜ | 10⅝ | 11¼ | 11⅝ |
| Switzerland | Franc | 5⅝ | 5⅜ | 5⅝ | 4½ | 4⅝ | 4¼ |
| "Dollar Paz" | | 10 | 10¼ | 10¼ | 8⅝ | 9⅛ | 9⅛ |
| "Euro Paz" | | 12⅛ | 12¼ | 11⅝ | 11 | 11 | 10⅝ |

UNITED MIZRAHI BANK LTD



Israel Airports Authority

**Neot Sinai Terminal**

Notice to Those Using the Terminal

Today, Monday, September 1, 1980, the terminal will be closed because of an Egyptian holiday.

The terminal will reopen to traffic on Tuesday, September 2 at 8 a.m.



Export company requires

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Knowledge of German desirable.

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## Stock Market Briefs

By JOSEPH MORGENSTERN
Post Finance Reporter

The Israel Development and Mortgage Bank Ltd. has just announced that its balance sheet for the year ending June 30, 1980 totalled IS2.06 billion and thus reflected a year-to-year gain of 138 per cent. This compared favourably with the 133 per cent rise of the cost-of-living index over the corresponding period.

Loans and deposits rose by 140 per cent, over the year. In the period of the report the amount of bonds issued by the bank and in circulation increased to IS1.72 billion.

The pre-tax profits stood at IS18m. as compared with IS8.5m. the previous year, a growth of 112 per cent. Net profit after tax from ordinary activities grew from IS3.45m. to IS7.77m., a rise of 125 per cent.

The net earnings per share, on a fully diluted basis, came to IS0.074 as compared with IS0.035 a year ago.

* * *

Officials at the Bank of Israel have expressed satisfaction with the high level of prices of 80 per cent index-linked bonds traded on the Exchange. By comparison the 100 per cent index-linked bonds, first introduced in August, offer a more attractive yield and sales of these bonds are running at record highs.

* * *

Isras, Israel Rassco Investment Co. Ltd., controlled by Rassco Rural and Suburban Co. Ltd., has announced that its board is recommending the distribution of a 20 per cent cash dividend in addition to a 50 per cent bonus share payment. For the year ending March 31, 1980, the company reported net earnings of IS7.45m., reflecting a gain of 114 per cent. The earnings per share amounted to 190 per cent as compared to 86 per cent a year ago.

* * *

The Investment Company of the United Mizrahi Bank Ltd. announced that its consolidated balance sheet, as of June 30, stood at IS1.23b. as compared with IS760m. on December 31, 1979 and reflected a gain of nearly 62 per cent.

* * *

Elron IL2 shares have shown a rise in price in excess of 500 per cent since the beginning of the current calendar year. Elron Electronic Industries Ltd. is a holding company whose investments are primarily in science-based industries. While company officials neither confirm nor deny, it is understood that the company is considering the possibility of a new financing either in the U.S. or Israel or in both. Meanwhile, the company is offering a $2m. bond issue to local investors. The issue will have a floating rate of interest and will have the special tax limit benefits.

* * *

The shares of Etz Lavud Ltd., traded on the American Stock Exchange, have attracted speculative buying which has pushed their price up by some 40 per cent over the last week. On an unusually high trading volume of 26,100 shares, last Thursday, the Etz Lavud shares were up by $0.38. On Friday in the first hour of trading they were up by $1.25 on an initial turnover of 18,000 shares. Behind this rapid and speculative rise were rumours that Laser Industries Ltd., an Etz Lavud subsidiary, will soon be floating shares in the U.S. In the year ending March 31, 1980 Etz Lavud logged record sales of some $96m. and record profits.

* * *

In all of 1979 the monetary value of securities traded on the Tel Aviv Stock Exchange totalled IS4.4b. This figure included shares, convertible bonds and all types of other bonds. In the seven months ending July 31, 1980 the turnover of shares alone, on the Tel Aviv Stock Exchange, totalled IS4.7 billion. The share turnover accounted for 71.3 per cent of all transactions carried out on the Exchange.

* * *

As of the end of last week the Tel Aviv Stock Exchange reported that the following were late in filing their annual reports for the year ending March 31, 1980: Securitas, Ispro, Caesarea, Fertilizers, Dead Sea Works, American Israeli Paper Mills, Assis, Amissar, Israel Hotels International, and Keren Hayesod.

| | For six months ending 30.6.80 | 30.6.79 | Gain in % |
|---|---|---|---|
| Consolidated pre-tax profit | IS14.96m. | IS5.15m. | + 190.6 |
| Net profit | IS 5.43m. | IS1.86m. | + 191.1 |
| Earnings per share | IS 0.196 | IS0.066 | + 197 |

## Koor builds cement plant in African country

TEL AVIV. — A $9m. cement plant which was built by Koor Metals in an African country is now being run in, Yeshayahu Gavish, deputy general manager of Koor, revealed recently when he presented bonuses to workers in four Koor Metal plants under the "profit-sharing" scheme. In all, some 12,000 workers in 43 plants are receiving IL180m. on account of 1979 under this scheme.

Gavish noted that although this African country, whose name he declined to reveal, did not maintain diplomatic relations with Israel, the speed in building the plant was so impressive that Koor Metals expects to receive more construction orders. Much of the machinery for the plant was built in Israel.

AIR CONDITIONERS. — Marks & Spencers of England have placed an order for 10 air conditioners with Electra at a cost of $500,000. During the first six months of 1980, Electra has exported goods, of all types, valued at $3m., and it has firm export orders for another $3m. on hand.


# CLASSIFIEDS

DEADLINES Jerusalem: Weekdays; 10 a.m. of day prior to publication. For Friday's paper: 5 p.m. on Wednesday. For Sunday's paper; 3 p.m. on Thursday. Tel Aviv and Haifa: Weekdays and Friday; 12 noon two days prior to publication. For Sunday's paper: 12 noon on Thursday.

Ads are accepted at all offices of *The Jerusalem Post* (for addresses see masthead on back page) and at all recognized advertising agencies.

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בנק אמריקאי ישראלי בע"מ
AMERICAN ISRAEL BANK LTD.

FOREIGN CURRENCY 29.8.80

Friday's foreign exchange rates against the Israel pound, for U.S. dollar transactions under $3000, and transactions in other currencies under the equivalent of $500.

| | Selling | Buying |
|---|---|---|
| U.S.$ | 55.9800 | 55.5800 |
| DM | 31.2650 | 31.0416 |
| Swiss Fr. | 33.9540 | 33.7114 |
| Sterling | 133.7558 | 132.8000 |
| French Fr. | 13.4413 | 13.3458 |
| Austrian Sch. | 4.4174 | 4.3858 |
| Dutch Fl. | 28.7003 | 28.4952 |
| Swedish Kr. | 13.4260 | 13.3301 |
| Danish Kr. | 10.0951 | 10.0229 |
| Norwegian Kr. | 11.5714 | 11.4888 |
| Finnish | 15.2909 | 15.1816 |
| Canadian $ | 48.4067 | 48.0608 |
| Rand | 73.9495 | 73.4211 |
| Australian $ | 62.2475 | 64.7822 |
| Belgian Fr. (10) | 19.5035 | 19.3641 |
| Yen (100) | 25.5470 | 25.3645 |
| Italian Lire (100) | 65.5829 | 65.1143 |

INTERBANK LONDON SPOT RATES:

| | | |
|---|---|---|
| U.S.$ | 2.3893/00 | per £ |
| Swiss Fr. | 1.6477/87 | per $ |
| Belgium Fr. | 28.6950/7100 | per $ |
| Swedish Kr. | 4.1690/00 | per $ |
| French Fr. | 4.1580/20 | per $ |
| Danish Kr. | 5.5445/60 | per $ |
| Dutch Fl. | 1.9495/05 | per $ |
| DM | 1.7895/03 | per $ |
| Italian Lire | 853.40/70 | per $ |
| Norwegian Kr. | 4.8370/85 | per $ |
| Yen | 219.05/20 | per $ |
| Gold Price: | $632.00/635.00 | |

FORWARD RATES:

| v012 | 1 mon. | 3 mos. | 6 mos. |
|---|---|---|---|
| £ $ | 2.3782/795 | 2.3638/655 | 2.3486/509 |
| DM $ | 1.7835/868 | 1.7735/748 | 1.7845/658 |
| Sw Fr. $ | 1.6407/422 | 1.6227/242 | 1.5962/972 |



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## Prices up in 'technical correction'

### Market Report

By JOSEPH MORGENSTERN

TEL AVIV. — Shares in most sectors gained up to 5 per cent yesterday in action which observers considered a technical correction. The upward trend comes on the heels of a week of steadily deteriorating prices. Trading turnovers of IS40.1m. were moderate.

The index-linked bond market closed out the month with hardly any change in prices. Trading was moderate to active.

Commercial banks shares were mostly unchanged. Holding firm were the shares of Discount Bank, Union Bank, United Mizrahi Bank Ltd., and Leumi. Bank Hapoalim R was ahead by two points while Israel General gained four points. Danot "A" shares were buyers only while the "B" shares gained 4 per cent.

Mortgage bank issues were mostly stable with some small gains registered throughout the list.

Insurance issues moved higher with Aryeh gaining 5.6 per cent and Ararat IL5 advancing by 7 per cent.

Land development and real estate equities moved ahead nicely. Azorim was up by 7.3 per cent as Ispro, Pri Or and Caesarea were buyers only. Rassco ordinary rose by 11 points.

Industrials were sharply ahead. Electra IL1 jumped by 10 per cent. Arad was an 8.6 per cent winner while Electric Wire and Cable gained 9.7 per cent. Dubek R, at 700, rose more than 6 per cent. American Israeli Paper Mills securities did not trade as the company unveiled its annual results. Elbit IL5 was 5 per cent higher. Teva B was buyers only. Molett gained nearly 8.5 per cent.

But Alliance and Moller were losers, both listed as sellers only.

Investment company stocks also enjoyed a good session, although gains were mild compared to industrial issues. Elgar rose by 5 per cent and Amissar went up by 8.2 per cent. Jordan Exploration was buyers only, as were Landeco and Oz Investment B. Piryon, in very active trading, was up 25 points for a gain of 6.8 per cent.

## Tel Aviv Stock Exchange

| | Closing price | Volume IL1,000 | Change |
|---|---|---|---|
| **Comm Banks & Bankholding** | | | |
| IDB prf | 4000.0 | 4.4 | n.c. |
| IDB r | 897.0 | 2,956.3 | n.c. |
| IDB B | 897.0 | 38.2 | n.c. |
| IDB prf A | 1140.0 | 250.0 | +7.0 |
| IDB op 4 | 1640.0 | 40.0 | n.c. |
| IDB op 5 | 962.0 | 211.3 | +2.0 |
| IDB op 6 | 775.0 | 369.4 | n.c. |
| IDB op 7 | 780.0 | 262.7 | -6.0 |
| IDB op 8 | 715.0 | 291.12 | -10.0 |
| Union | 746.0 | 993.3 | n.c. |
| Union op | 163.0 | 44.0 | +10.0 |
| Union op 3 | 805.0 | 24.9 | +5.0 |
| Union op 4 | 390.0 | 306.7 | +5.0 |
| Union op 6 | 570.0 | 269.5 | n.c. |
| Union 18%sc4 | 372.0 | 78.8 | n.c. |
| Union 18%sc5 | 239.0 | 128.9 | +3.0 |
| Discount | 1217.0 | 5.9 | n.c. |
| Discount A | 1213.0 | 1,325.1 | n.c. |
| Discount A5%sc | 421.0 | 93.6 | n.c. |
| Mizrahi r | 604.0 | 6,630.3 | n.c. |
| Mizrahi b | 602.0 | 318.6 | n.c. |
| Mizr op 2 | 2250.0 | 26.0 | -10.0 |
| Mizr op 3 | 904.0 | 333.6 | +6.0 |
| Mizr 20%sc4 | 742.0 | 100.0 | +32.0 |
| Mizr 18%sc5 | 608.0 | 56.2 | -3.0 |
| Mizr 18%sc6 | 482.0 | 229.4 | +10.0 |
| Mizr sc7 | 420.0 | 278.8 | +5.0 |
| Hapoalim prf | 300.0 | 10.0 | n.c. |
| Hapoalim r | 756.0 | 5,688.9 | +2.0 |
| Hap 50% div. | 751.0 | 757.4 | +2.0 |
| Hapoalim b | 757.0 | 3,242.5 | n.c. |
| Hap op 4 | 1840.0 | 2.2 | +5.0 |
| Hap op 5 | 1500.0 | 46.3 | n.c. |
| Hap op 7 | 885.0 | 272.4 | n.c. |
| Hap op 9 | 1266.0 | 160.0 | +9.0 |
| Hap 18%sc1 | 653.0 | 299.1 | -7.0 |
| Hap 18%sc6 | 606.0 | 200.0 | +5.0 |
| Hap 18%sc8 | x412.0 | 606.3 | n.c. |
| General | 436.0 | 233.3 | +4.0 |
| General op 6 | 605.0 | 52.2 | n.c. |
| General 18%sc4 | 442.0 | 298.6 | +7.0 |
| General sc5 | 144.5 | 707.4 | n.c. |
| Leumi | 827.0 | 3,577.6 | n.c. |
| Leumi r-d | 822.0 | 333.5 | n.c. |
| Leumi op 2 | 1645.0 | 68.3 | n.c. |
| Leumi op 3 | 747.0 | 441.1 | n.c. |
| Leumi op 5 | 660.0 | 476.1 | n.c. |
| Leumi 18%sc3 | 793.0 | 9.5 | n.c. |
| Leumi 18%sc5 | 672.0 | 10.6 | n.c. |
| Leumi 18%sc8 | 423.0 | 41.4 | n.c. |
| OHH r | x880.0 | 21.4 | n.c. |
| OHH b | x880.0 | 13.9 | n.c. |
| Danot A | 300.0 | b.o. | +14.0 |
| Danot | 207.0 | 3,607.4 | +8.0 |
| Internat 6%sc1 | 740.0 | 393.7 | n.c. |
| FIBI | x567.0 | 948.6 | +7.0 |
| **Mortgage Banks** | | | |
| Gen Mtg r | 620.0 | 148.3 | n.c. |
| GMg b | 635.0 | 93.0 | n.c. |
| GMtg nd | 614.0 | 44.0 | n.c. |
| GenMg op 114 | 1555.0 | 7.4 | +15.0 |
| GenMg op 117 | 480.0 | 10.0 | n.c. |
| GenMg op 129 | 483.0 | 52.3 | n.c. |
| GenMg 18%db116 | 385.0 | 23.0 | n.c. |
| Carmel r | 357.0 | 175.0 | +10.0 |
| Carmel b | 385.0 | 6.3 | n.c. |
| Car opA | 216.0 | 308.4 | +11.0 |
| Car 18%db10 | 151.0 | 209.8 | +12.5 |
| Mortg&Inv | 499.0 | b.o. | +24.0 |
| Dev&Mtg r | d513.0 | 121.5 | n.c. |
| Dev&Mtg b | d513.0 | 27.7 | n.c. |
| Dev&Mtg op 88 | 950.0 | — | n.c. |
| Dev&Mtg op 95 | 387.0 | 60.2 | +3.0 |
| Dev&Mtg 18%db87 | 411.0 | 12.5 | +1.0 |
| Dev&Mtg 18%db94 | 268.0 | 17.2 | +2.0 |
| HousMtg r | 730.0 | 431.3 | n.c. |
| HousMtg b | 735.0 | 100.0 | +3.0 |
| HousMtg op 1 | 1305.0 | 10.0 | +45.0 |
| HousMtg op 2 | 1063.0 | 70.0 | +55.0 |
| Tefahot prf r | 535.0 | 92.3 | +14.0 |
| Tefahot prf b | 532.0 | 78.0 | +10.0 |
| Tefahot r | 522.0 | 537.3 | +16.0 |
| Tefahot b | 522.0 | 363.4 | +5.0 |
| Merav | 847.0 | 183.9 | +2.0 |
| Merav op | 1045.0 | 21.0 | +5.0 |
| **Specialized Financials** | | | |
| Shilton r | — | — | — |
| Shilton b | — | — | — |
| Shilton op 5 | — | — | — |
| Shilton opA | — | — | — |
| Shilton opB | — | — | — |
| Shilton 18%db1 | — | — | — |
| Shilton 18%db2 | — | — | — |
| OtzLataisya r | 545.0 | 114.1 | n.c. |
| OtzLataisya b | 545.0 | 12.3 | n.c. |
| Ampal | 760.0 | 20.6 | +12.0 |
| AgricultureA | 251.0 | 20.6 | +12.0 |
| IndDev prf | 280.0 | 7.4 | +3.0 |
| **Insurance** | | | |
| Aryeh | x528.0 | 80.2 | +28.0 |
| Aryeh op | 1830.0 | — | n.c. |
| Aryeh sc3 | c2230.0 | 61.9 | n.c. |
| Ararat IL1 | 310.0 | 136.7 | n.c. |
| Ararat IL5 | 183.0 | 290.4 | +12.0 |
| Hassneh r | 2492.0 | 1,680.6 | +5.0 |
| Hassneh b | 2492.0 | 518.2 | +5.0 |
| Hassneh op | x463.0 | 87.2 | +3.0 |
| Phoenix IL1 | 575.0 | — | n.c. |
| Phoenix IL5 | 535.0 | 25.0 | -3.0 |
| Yardenia IL1 | x208.0 | 35.0 | n.c. |
| Yardenia IL5 | x152.0 | 237.3 | +7.0 |
| Sahar r | 502.0 | 179.6 | +5.0 |
| Sahar b | 527.0 | 203.0 | n.c. |
| Sahar op | 241.0 | 348.4 | +34.0 |
| Sahar 18%db | 123.5 | 928.4 | n.c. |
| Securitas | 781.0 | 18.5 | +7.0 |
| Secur op | 575.0 | 127.1 | +23.0 |
| Zur r | 404.0 | 5.4 | +1.0 |
| Zur b | 410.0 | 10.8 | n.c. |
| **Comm.Service &Utilities** | | | |
| Motorhouse | — | — | — |
| Delek r | 477.0 | 537.8 | n.c. |
| Delek b | 480.0 | 71.2 | n.c. |
| Delek op 1 | 2430.0 | 6.2 | n.c. |
| Delek20%db2 | c820.0 | 24.8 | n.c. |
| ColdStorage r | — | — | — |
| ColdStorIL10 | 863.0 | — | -45.0 |
| ColdStor opA | 570.0 | 29.2 | -30.0 |
| Israel Elec | 482.0 | 52.3 | -18.0 |
| Lighterage IL1 | x680.0 | — | — |
| Lighterage IL5 | 987.0 | 5.0 | +31.0 |
| Lighterage op2 | 741.0 | 7.8 | n.c. |
| Lighterage db | 315.0 | 11.5 | n.c. |
| RapacIL1 | 508.0 | b.o. | +24.0 |
| RapacIL5 | 396.0 | 144.3 | +36.0 |
| Rapac op1 | 183.0 | b.o. | +8.0 |
| **Land,Buildings, Devel,Citrus** | | | |
| Azorim | 354.0 | 92.1 | +24.0 |
| Azor opA | 371.0 | 345.0 | +32.0 |
| Azor20%db1 | 139.0 | 91.2 | +9.0 |
| Africa-Isr1 | 1300.0 | 17.7 | +60.0 |
| Africa-Isr10 | 1135.0 | 4.8 | +5.0 |
| ILDC r | 475.0 | 432.5 | +3.0 |
| ILDC b | 480.0 | 3.3 | n.c. |
| ILDC opA | 1690.0 | 4.0 | n.c. |
| ILDC opB | 520.0 | 39.0 | n.c. |
| ILDC 20% db3 | 414.0 | 46.0 | n.c. |
| ILDC20%db4 | 488.0 | 49.0 | +5.0 |
| SolelBoneh prfA | 2780.0 | 3.2 | +10.0 |
| SolelBoneh prfC | 2790.0 | 5.0 | n.c. |
| Prop&Bldg | 654.0 | 353.5 | -2.0 |
| PropBld opA | 1295.0 | 18.6 | -20.0 |
| PropBld op8 | 691.0 | 21.3 | n.c. |
| PropBld 18%db4 | 870.0 | — | n.c. |
| PropBld 20%db5 | 654.0 | — | n.c. |
| RaysideIL1 | 540.0 | 247.1 | n.c. |
| RaysideIL3 | 540.0 | 70.0 | n.c. |
| Bayside op | 329.0 | 65.5 | -3.0 |
| Ispro | 230.0 | b.o. | +11.0 |
| Ispro 50% d | 214.0 | b.o. | +10.0 |
| Ispro opt | 215.0 | 294.5 | +5.0 |
| Isras | 1746.0 | 132.7 | n.c. |
| Mehadrin | 1700.0 | 5.4 | +80.0 |
| ICP | 3010.0 | — | n.c. |
| Neot Aviv | 460.0 | 23.6 | -8.0 |
| PriOr | 270.0 | b.o. | +13.0 |
| Caesarea r | 269.0 | b.o. | +17.0 |

| | Closing price | Volume IL1,000 | Change |
|---|---|---|---|
| Rassco PrF | 236.0 | — | +5.0 |
| Rassco | 222.0 | 37.0 | +11.0 |
| **Industrial** | | | |
| Urdan IL1 | z405.0 | 146.1 | +8.0 |
| Urdan IL5 | z440.0 | 10.0 | n.c. |
| Urdan op | z375.0 | 54.6 | +20.0 |
| Elbit IL1 | 814.0 | 76.7 | +14.0 |
| Elbit IL5 | 545.0 | 93.0 | +26.0 |
| Alliance | 2615.0 | s.o. | -135.0 |
| Elco 1 | d1009.0 | 5.0 | -50.0 |
| Elco IL2.5 r | d386.0 | 55.0 | 6.0 |
| Elco IL2.5 b | d431.0 | 52.0 | +20.0 |
| Elco opA | 316.0 | 140.8 | +15.0 |
| Elco20%db1 | 177.5 | 154.6 | +11.0 |
| Electra IL1 | 319.0 | 17.0 | +74.0 |
| Electra IL5 | 379.0 | 80.0 | +14.0 |
| Electra op2 | 480.0 | 54.5 | +36.0 |
| Electra18%db | 355.0 | — | n.c. |
| Electra18%db2 | 212.0 | 34.7 | +11.0 |
| Electra IL1 | | | |
| Electra IL5 | | | |
| Electra op2 | | | |
| Electra18%db | | | |
| Electra18%db2 | | | |
| Elron IL1 | 2236.0 | 1.7 | -4.0 |
| Elron IL2 | 1690.0 | 38.4 | +30.0 |
| Elron opA | 918.0 | 58.1 | +28.0 |
| Argaman prf r | 299.0 | 40.1 | -10.0 |
| Argaman prf b | 300.0 | 74.0 | -9.0 |
| Argaman r | 282.0 | 50.0 | +10.0 |
| Argaman b | 284.0 | 97.6 | +13.0 |
| AtaB | 195.0 | 218.4 | +5.0 |
| AtaC | 140.0 | 4,392.1 | +6.0 |
| Ata opA | 140.0 | 2,604.4 | +13.0 |
| Ata op3 | 183.5 | 1,156.9 | +6.0 |
| Ata20%deb2 | 160.5 | 271.9 | +10.0 |
| Dubek r | 700.0 | 39.4 | +40.0 |
| Dubek b | 700.0 | 49.9 | +40.0 |
| Fertilizers | 288.0 | 683.2 | +15.0 |
| Cables r | 170.0 | 152.3 | +15.0 |
| Cables b | 156.5 | 61.0 | +8.0 |
| HaifaChem | 571.0 | 125.1 | +6.0 |
| Haifachem op2 | 860.0 | 10.6 | n.c. |
| HaifaChm20%db1 | 432.0 | 18.2 | n.c. |
| Teva r | 1230.0 | 115.4 | n.c. |
| Teva b | 1475.0 | b.o. | +70.0 |
| Teva op | 1405.0 | 42.6 | n.c. |
| Teva db | 269.0 | 240.4 | +11.0 |
| Lodzia IL1 | 885.0 | 6.3 | +10.0 |
| Lodzia IL4 | 242.0 | 445.2 | +15.0 |
| Moleot | 399.0 | 133.9 | +31.0 |
| Moller | 1459.0 | s.o. | -76.0 |
| Phoenicia IL1 | | | |
| DeadSea | 1185.0 | 312.9 | +35.0 |
| AmIsrPaper | | | |
| Amisr opA | | | |
| Amisr20%db1 | | | |
| Assis | 485.0 | 87.1 | -1.0 |
| Assis20%db1 | 365.0 | 12.0 | -6.0 |
| Petrochem | | | |
| Ptrchm opA | | | |
| Ptrchm20%db1 | | | |
| Nechushtan r | 800.0 | 13.8 | +50.0 |
| Elite | 1140.0 | 35.3 | +20.0 |
| Elite op3 | 681.0 | 39.6 | +14.0 |
| Elite20%cnv sb2 | 436.0 | 40.3 | +4.0 |
| Arad | 711.0 | 79.2 | +56.0 |
| Polgat IL1r | 1200.0 | 8.4 | n.c. |
| Polgat IL5 | 870.0 | 51.3 | n.c. |
| Polgat op | 935.0 | 4.0 | n.c. |
| Polygon | x4388.0 | 150.5 | +7.0 |
| Rim IL1 | 680.0 | 4.6 | +20.0 |
| Rim IL4 | 334.0 | 174.3 | n.c. |
| Shemen b | 708.0 | 5.1 | +5.0 |
| Taal r | 271.0 | 817.1 | -10.0 |
| Taal b | 292.0 | 107.0 | +6.0 |
| Taal op | 220.0 | 104.0 | +2.0 |
| Frutarom | 264.0 | 463.8 | +14.0 |
| **Invest&Holding Companies** | | | |
| Elgar r | 735.0 | 17.6 | +35.0 |
| Elgar b | 699.0 | 20.6 | +34.0 |
| Elron r | 1422.0 | 7.8 | +7.0 |
| Elern b | 1408.0 | 4.0 | -11.0 |
| Amissar | 385.0 | 100.5 | +29.0 |
| Amissar op | 403.0 | 48.2 | +18.0 |
| CntrlTrade | 2388.0 | — | n.c. |
| InvofPaz r | 1179.0 | 10.6 | -8.0 |
| InvofPaz b | 1211.0 | 17.0 | +11.0 |
| WolfsonIL1 | 885.0 | — | n.c. |
| WolfsonIL10 r | 458.0 | 50.2 | +21.0 |
| WolfsonIL10 b | 455.0 | 40.1 | +25.0 |
| Ampa | 630.0 | 6.0 | +2.0 |
| DscInv r | z525.0 | 978.3 | n.c. |
| DscInv b | z525.0 | — | n.c. |
| DscInv opA | z1070.0 | 49.0 | +40.0 |
| DscInv opB | 2420.0 | 173.1 | +20.0 |
| DscInv18%db130 | 489.0 | 10.0 | n.c. |
| DscInv18%db135 | x245.0 | 88.5 | +6.0 |
| Hap'Inv r | 723.0 | 243.5 | +8.0 |
| HapInv b | 740.0 | 2.0 | n.c. |
| HapInv op1 | 955.0 | 122.8 | +22.0 |
| Leumilnv | 580.0 | 323.4 | n.c. |
| Leumilnv op | 360.0 | b.o. | +17.0 |
| JrdnExplo | 2810.0 | 4.0 | -90.0 |
| JrdnExplo op | 283.0 | 115.3 | +20.0 |
| JrdnExplo op3 | 131.0 | 551.5 | +11.0 |
| MizrahiInv r | 1202.0 | 110.5 | +13.0 |
| MizrahiInv b | 1190.0 | 102.0 | +11.0 |
| Hassuta | 312.0 | 79.8 | +3.0 |
| Hassuta opA | 331.0 | 323.8 | +16.0 |
| Hassuta20%db1 | 150.5 | 99.5 | +6.0 |
| ExprtInv r | 763.0 | 3.3 | n.c. |
| ExprtInv b | 760.0 | 3.0 | n.c. |
| KoorInd | 3460.0 | 4.3 | n.c. |
| ClalRlEst | 383.0 | 221.0 | +23.0 |
| ClalREs opA | 918.0 | 155.1 | n.c. |
| ClalREs20%db1 | 410.0 | 2.0 | +20.0 |
| Clal | 792.0 | 71.7 | +37.0 |
| ClalInd | 485.0 | 80.6 | +3.0 |
| Clal50% div | 480.0 | 70.1 | +5.0 |
| ClalInd op A | 409.0 | 193.0 | +12.0 |
| ClalInd20%db5 | 487.0 | 40.0 | +40.0 |
| Landeco | 237.0 | b.o. | +11.0 |
| Landeco op1 | 209.0 | 787.7 | n.c. |
| OzInv | 268.0 | b.o. | +14.0 |
| OzInv10%db | 225.0 | 19.0 | n.c. |
| PamaInv | 302.0 | 275.7 | +12.0 |
| PiryonInv | 395.0 | 1,091.3 | +25.0 |
| **Fuel&Explor.** | | | |
| OilExploPaz | 409.0 | b.o. | +19.0 |
| Fedoil | 707.0 | 153.5 | +32.0 |
| Naphtha | 1365.0 | b.o. | +63.0 |
| Lapidot r | | | |
| Lapidot b | | | |
| **Shares-Tradeable Foreign Currency** | | | |
| Adanim | 1851.0 | 2.0 | +50.0 |
| Agric prfC | 881.0 | — | n.c. |
| IndDevprfC | 1701.0 | — | +35.0 |
| IndDevCC | 1081.0 | — | -31.0 |
| IndDevCC1 | 1128.0 | 0.1 | n.c. |
| IndDevD | 900.0 | — | n.c. |
| IndDev7.5% | 251.0 | — | n.c. |
| TouristInd | 735.0 | — | n.c. |
| UnicoA r | 321.0 | 24.5 | +3.0 |
| UnicoA b | 338.0 | — | -12.0 |
| Jazit | 140.0 | — | n.c. |

### Most active shares

| | | | |
|---|---|---|---|
| Mizrahi R | 604 | 6630.3 | n.c. |
| Danot B | 207 | 3607.4 | +8.0 |
| Hapoalim R | 756 | 5688.9 | +2.0 |

| | Aug. 31 | Aug. 28 |
|---|---|---|
| Shares traded: | IS88.3m. | IS102.2m. |
| Convertibles | IS1.9m. | IS3.3m. |
| Bonds | IS22.4m. | IS22.7m. |

General Share Index up 0.1%, to 216.4.

Abbreviations: s.o. sellers only; b.o. buyers only; x without dividend; c without coupon; z without bonus; d without rights; n.c. no change; r registered; b bearer; prf. preferred; op option; conv. convertible; s.c. subordinated capital notes.
These stock prices are unofficial.

## New York Stock Exchange

### Closing prices August 29

Dow Jones Industrial Average: 932.5 up, 2.22
Volume: 33,682,500

| | Price | Change |
|---|---|---|
| Allied Chemical | [illegible] | [illegible] |
| Asa Ltd. | [illegible] | [illegible] |
| Avco | [illegible] | [illegible] |
| Boeing | [illegible] | [illegible] |
| Burroughs | [illegible] | [illegible] |
| Bell & Howell | [illegible] | [illegible] |
| Bally Manufacturing | [illegible] | [illegible] |
| Bausch and Lomb | [illegible] | [illegible] |
| Control Data | [illegible] | [illegible] |
| Curtiss Wright | [illegible] | [illegible] |
| Dow Chemical | [illegible] | [illegible] |
| Eastman Kodak | [illegible] | [illegible] |
| Ford Motor | [illegible] | [illegible] |
| General Dynamics | [illegible] | [illegible] |
| Gulf & Western | [illegible] | [illegible] |
| Holiday Inns | [illegible] | [illegible] |
| Honeywell | [illegible] | [illegible] |
| Hilton Hotels | [illegible] | [illegible] |
| IBM | [illegible] | [illegible] |
| Lockheed | [illegible] | [illegible] |
| Litton Ind. | [illegible] | [illegible] |
| LTV | [illegible] | [illegible] |
| McDonnell Douglas | [illegible] | [illegible] |
| Merrill Lynch | [illegible] | [illegible] |
| MGM | [illegible] | [illegible] |
| Motorola | [illegible] | [illegible] |
| NCR | [illegible] | [illegible] |
| Natomas | [illegible] | [illegible] |
| National Semiconductor | [illegible] | [illegible] |
| Occidental Petroleum | [illegible] | [illegible] |
| Penn Central | [illegible] | [illegible] |
| Pan American Airways | [illegible] | [illegible] |
| Polaroid | [illegible] | [illegible] |
| RCA | [illegible] | [illegible] |
| Revlon | [illegible] | [illegible] |
| Raytheon | [illegible] | [illegible] |
| Sears Roebuck | [illegible] | [illegible] |
| Sperry Rand | [illegible] | [illegible] |
| Syntex | [illegible] | [illegible] |
| American Tel & Tel | [illegible] | [illegible] |
| Telex | [illegible] | [illegible] |
| Teledyne | [illegible] | [illegible] |
| Tyco Laboratories | [illegible] | [illegible] |
| UAL | [illegible] | [illegible] |
| Union Carbide | [illegible] | [illegible] |
| Western Union | [illegible] | [illegible] |
| Westinghouse Electric | [illegible] | [illegible] |
| U.S. Steel | [illegible] | [illegible] |
| Xerox | [illegible] | [illegible] |
| Exxon | [illegible] | [illegible] |
| Zenith Radio | [illegible] | [illegible] |
| **American Stock Exchange** | | |
| Amer Isr Paper Mills | [illegible] | [illegible] |
| Etz Lavud | [illegible] | [illegible] |
| Houston Oil and Minerals | [illegible] | [illegible] |
| **OTC List** | | |
| Elscint | [illegible] | [illegible] |
| IDB Ordinary | [illegible] | [illegible] |
| IDB Pfd. | [illegible] | [illegible] |
| SCI-TEX | [illegible] | [illegible] |

This selected list courtesy of ISRAEL DISCOUNT BANK LTD. Tel Aviv
Tel: 8 a.m.—12.30 p.m. — 627542
5 p.m.—7 p.m. — 251936

## Representative bond prices

| | Price | Change |
|---|---|---|
| **6.5% Defence loan** | | |
| 70 (Ayin) | | |
| 75 (Ayin Heh) | | |
| 81 (Peh Aleph) | 2175.0 | +12.0 |
| 90 (Tzadi) | 2077.0 | +60.0 |
| **4% Gov't development** | | |
| Group 1. Yield: | -1.02 | |
| 3001 | 1919.0 | n.c. |
| 3007 | 1772.0 | n.c. |
| Group 5. Yield: | -0.76 | |
| 3020 | 1330.0 | n.c. |
| 3025 | 1296.0 | n.c. |
| **Defence loan 69.** | | |
| 34 (Lamed Dalet) | 1290.0 | +37.0 |
| 210 (Reish Yod) | 1220.0 | +1.0 |
| **4% Gov't (80% C-o-L)** Group 22. Yield: | +0.08 | |
| 3101 | 999.7 | -4.3 |
| 3106 | 875.4 | -3.8 |
| Group 24. Yield: | 0.11 | |
| 3110 | 858.8 | +2.4 |
| 3115 | 792.2 | +2.2 |
| **4% Gov't (80% C-o-L)** Group 42. Yield: | +0.39 | |
| 3210 | 648.9 | -8.3 |
| 3206 | 616.2 | -8.3 |
| **6% Gov't (80% C-o-L)** Group 52. Yield: | +0.12 | |
| 3501 | 585.9 | -1.2 |
| 3504 | 514.2 | -1.0 |
| **7% Gov't (80% C-o-L)** Group 62. Yield: | +0.35 | |
| 3522 | 489.0 | n.c. |
| 3526 | 454.7 | n.c. |
| Group 66. Yield: | +0.39 | |
| 3534 | 403.3 | n.c. |
| 3541 | 367.1 | +0.1 |
| Group 68. Yield: | +0.44 | |
| 3546 | 349.0 | n.c. |
| 3551 | 321.9 | n.c. |
| Group 70. Yield: | +0.40 | |
| 3554 | 297.3 | n.c. |
| 3557 | 283.9 | n.c. |
| **Gov't dble-optn linked** | | |
| 2001 | 470.7 | -0.9 |
| 2015 | 404.3 | n.c. |
| 2033 | 299.1 | n.c. |
| **Dollar denom bonds** | | |
| Hollis 10 | 93.5 | n.c. |
| Hollis 20 | 90.0 | -0.1 |
| **Bonds 100% linked to foreign currency** | | |
| 5.5% Gov't 6026 | 270.8 | +7.8 |
| 6% Isr. Electric Corp. B | 1580.0 | n.c. |
| 5% Dead Sea Works | 4729.0 | +8.0 |
| **Bonds 5¼% linked to foreign currency** | | |
| 6003 | 300.7 | n.c. |

## Bank of Israel exchange rates

| Currency | |
|---|---|
| U.S. dollar | 55.7800 |
| British sterling | 132.2580 |
| German mark | 31.1351 |
| French franc | 13.3942 |
| Dutch guilder | 28.3978 |
| Swiss franc | 33.8307 |
| Swedish krone | 13.3717 |
| Norwegian krone | 11.5298 |
| Danish krone | 10.0422 |
| Finnish mark | 15.2284 |
| Canadian dollar | 48.2302 |
| Australian dollar | 65.0118 |
| South African rand | 73.6354 |
| Belgian franc (10) | 19.4031 |
| Austrian schilling (10) | 44.0079 |
| Italian lire (1,000) | 65.3326 |
| Japanese yen (100) | 25.4471 |
| Jordanian dinar | 188.34 |
| Lebanese lira | 16.19 |

Ari Rath
Editor and
Managing Director

THE JERUSALEM POST

Erwin Frenkel
Editor

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Elul 20, 5740 • Shawwal 22, 1400

## Voice of reason

THE STILL incomplete government building into which the prime minister is planning to relocate his office is a fine, spacious structure. It would do honour to the country's chief executive, and serve his practical needs, better than the existing premises in the government Kirya.

Such little impediment as is presented by the Arab families that might be moved out of their adjacent homes and orchards would not ordinarily stand in the way. Even if the original expropriation order had not been issued back in 1968, the eviction itself would still be entirely right. The public purpose in the case is all too patent.

There is only one little hitch that spoils the plan. The prime minister's new office is to be situated in East Jerusalem, an area viewed abroad as occupied territory.

Israel has vigorously contested this view for the past 13 years. Israeli diplomats have argued that the forcible Jordanian takeover of the eastern part of Jerusalem in 1948 did not confer any title on Jordan, except that of illegal occupier. The destructive and desecrative regime instituted by Jordan only pointed up the illegality of its occupation. The municipal reunification of Jerusalem, Israel's ancient capital, in the aftermath of the defeat of Jordan's aggression in June 1967, was therefore free of any legal defect.

All the more so, since Israel was already granting all worshippers such freedom of access to their holy places in Jerusalem as had been denied by the Jordanians — and since it was willing to discuss, as part of the final peace settlement, suitable further arrangements that might derogate from, though not undermine, Israel's sovereign right over the city.

This position did not win any explicit endorsement even among Israel's friends. But it was liberal enough to thwart any effective Arab attack, through the UN, on the status quo in Jerusalem.

The passage of the Jerusalem Law, with Mr. Begin's ardent support, is what made it possible for the Arabs to mount that attack successfully in the Security Council last month. The result so far has been the exodus of 11 out of the 13 foreign embassies in Jerusalem, the closure of the Turkish consulate, and — worst of all, if it becomes a model for other governments — the refusal of the Swiss to sign a bilateral convention with Israel in Jerusalem — *West* Jerusalem, that is.

Now Mr. Begin proposes to compound the folly by going full speed ahead on the plan to transfer his office to its new premises in East Jerusalem. To him, this must be a fine way to tell off the outrageous foreigners who think they can dictate to Israel the choice of its own historic capital. But it really is an invitation for even more pressure, for even more drastic steps against this country.

In these conditions, the threatened eviction of the Abu Ta'as and the Nabulsis from their homes next to the Prime Minister's new office is almost certain to become an international *cause celebre:* Israel would be depicted denying the human rights of Arabs under its occupation, defying the whole wide world.

The senselessness of this move coming at this time — a time not of war, but of peacemaking, is only too obvious. There must be cabinet ministers who do see it. One of them is the NRP's Zevulun Hammer, the education minister, who took time out from his chores on the eve of the opening of the new school year to advise Mr. Begin against the move.

Will the premier heed the warning? Will he for once startle the nation with a display of good sense? Or is he so determined to use Jerusalem as the standard of defiance around which to rally the people in this election year, that he will listen to reason no longer?

## Bureaucratic folly

IN SOME COUNTRIES, even today, the telephone directory is a state secret. This is not true of Israel, of course — except when it comes to the English-language telephone directory, which the communications ministry has decided not to republish.

At one swoop of the bureaucratic pen, Israel's population has been blacked out for all those unfortunate enough to have some difficulty reading a directory from right to left.

The tens of thousands of tourists each year who wish to look up relatives or friends are thrown upon the limited mercies of hotel desk men and operators. Tens of thousands of new immigrants and some old immigrants, too, not yet comfortable enough with Hebrew to flip quickly through a Hebrew directory will feel even more like strangers in a strange land. Foreign businessmen, diplomats and scholars will find themselves in a country that apparently feels itself not part of the Western world.

The last English-language directory for Jerusalem was published in 1977 and for the Tel Aviv area in 1978. These are already far outdated. The communications ministry is not even contemplating a new directory in the foreseeable future, saying that it does not have the millions such publication would cost.

We suggest that the money be found quickly. Part of it could come from sale of the 5,000 copies likely to be printed. Another part could certainly be raised from the sale of advertisements. However it is done, the publication of a directory in Latin characters is an urgent necessity. Place should be found for it in this year's budget.

## POSTSCRIPTS

AS A POSTSCRIPT to the 35th anniversary of the atomic bombing of Hiroshima and Nagasaki in August 1945, the Jewish War Veterans of the U.S. informs us that a number of Jewish flyers had been involved in the mission. Lt. Jacob Beser of Baltimore flew on both missions, and Sgt. Abe Spitzer of the Bronx served as radio operator on one of the two observation planes for the Hiroshima mission. Both were on the plane which dropped the bomb on Nagasaki, and both received the Distinguished Flying Cross. Capt. Charles Levy of Philadelphia was the bombardier-navigator of one observation plane which followed the Nagasaki plane, and Lt. Frederick Charnes of Los Angeles was navigator of a plane which photographed the destruction four hours after the dropping of the bomb. In all, some 3,000 Jewish servicemen were in the U.S. 20th Air Force, which was charged with the atom bomb mission.

THE JEWISH Agency, which is celebrating its 50th anniversary, has won the approval of the Tel Aviv-Yafo Municipality for naming Jaffa's Clocktower Square after the agency. *J.S.*

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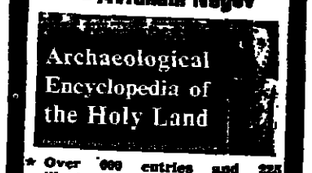


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# ISRAEL AGAINST ITSELF

**If Israel is to be a country worth living in, it must change course radically — and immediately, writes MILLA OHEL.**

ISRAELI SOCIETY is facing a serious threat. Neither political wisdom, military strength, strategic advantages, "liberated" territory, ancestral tradition, the creed of God nor East Jerusalem and the Wailing Wall will save Israel if its basic societal fabric has been rendered corrupt.

And while many Israelis are aware of this, they nevertheless tend to emphasize all the other issues rather than this major one.

The crucial dilemma we are facing is a clear choice between a free, healthy society and its polar opposite.

Basic Western values, like others, are not simply matters of aesthetics. They are integral parts of a society's fabric, and ultimately the society must decide whether they are worth defending.

Compromises may be valuable in politics or family situations, but compromises can be dangerous when applied to basic values.

Such compromises have been evident in Israeli society since the Six Day War, reflecting a breach in one of the most vital concepts of Zionism.

It has never been a Zionist ideal that Israel should be a conquering power. The concepts of "expansionism" or "imperialism" have always been foreign to the great majority of Zionists.

On the contrary, both Zionism and Israel have stood for coexistence with Arab neighbours, all free and independent. It has been unthinkable for Jews, who have suffered for ages from discrimination and its consequences, to inflict this suffering on other human beings. It is precisely this firm, righteous outlook that has earned the Zionist liberation movement the breadth of sympathy which lasted for decades.

Recently this sympathy has been eroded. And while oil may be a very influential factor, it is obviously not the only factor.

MANY ISRAELIS are apparently blind to the fact that other states, particularly the U.S., are not entirely pre-occupied by oil.

Public opinion in a democracy like the U.S. is undoubtedly a major factor in American policy-making. And what really matters ultimately is not the polite applause of well-to-do Jews at expensive banquets for Israeli dignitaries, but rather the views of Jewish intellectuals and youngsters who are concerned about Israel as the stronghold of Jewish survival.

I have deliberately not drawn into the argument the controversy among strategic experts over whether 9, 19, or 59 miles will make a significant difference to the security of Israel in the coming decade. It is nevertheless a fact that until 1967 we lived without the areas that are now under our control — and that our future was far more assured then than it is now. Which brings me to my central point: continued occupation is not a condition of survival, but its antithesis.

A PROCESS like the one Israel is experiencing has a logical evolution of its own: the internal factors which feed such a process acquire an irresistible force. And the outcome is inevitable. The common belief that "this cannot happen to us" — or that "we won't let it happen" — is a dreadful illusion. Both historical and contemporary examples are so plentiful that there is no need to dwell on them.

Such a process is rooted in a central human characteristic — habit. In simple terms, what might at first seem extraordinary later becomes acceptable: one just gets used to it. What at first may be unjustifiable, later becomes a matter of "no choice," ultimately raising that pattern of unacceptable behaviour to a virtue.

And so the previous value is being replaced by an entirely contrasting value.

It is, after all, very easy to drive the wagon into the mud, but very difficult to pull it out again.

It is obvious that Israel is already caught up in such a process, and unless it changes direction immediately, recruiting all its moral might, the future of our society may be doomed.

FOR THOSE who fought in all, or most of, the wars since the War of Independence, it has been absolutely clear that Israel's goal has been the revival of the Jewish homeland and its defence against destruction. There was certainly no intention to dominate territories of others and subdue their inhabitants.

Who can forget that both at the outbreak and termination of the Six Day War, Israel's prime minister and other senior politicians openly declared that they were not interested in territorial gain?

Now, most of the young men and women who are serving in the so-called liberated areas are between 18 and 21 years of age. During the Six Day War, they were between five and eight. They were not even old enough to take part in the Yom Kippur War, let alone all the wars that preceded them. This means that youngsters who joined the army 10 or more years ago were aware of a situation which was explained away as being the "decree of the hour" (to use a widely used slogan in Hebrew) or they were told that "necessity is a cruel master." They therefore believed they should overcome their feelings for a period of time until the whole matter was satisfactorily settled.

However, the youngsters who are going into the army today — and particularly those who are stationed beyond the Green Line — can hardly share these feelings. The new intake has been born into what appears to be a normal and natural state of affairs.

The new recruits do not seek any justification for ruling over the Arabs in the territories. Put simply, they find it all quite natural; they have never known anything else.

The original value has thus been gradually replaced by an entirely contradictory one. (It is exactly analogous to the current situation whereby small children in Israel will push and fight their way on to an *empty* bus: they are not familiar with a society that does not push or that did not push 40 years ago. Pushing has become a norm.)

The process of transplanting the new norm to within the Green Line is swift, with all the consequences for Israeli democracy and quality of life. The step from subduing outsiders who seem an obstacle to subduing insiders by the same methods is a frightfully short one.

IF THIS PROCESS is not cut short immediately and decisively, the dangers to our society are manifest. Israel must halt the process before it is too late.

I, for one, do not want to continue living in a society that has reached the final goal of such a process. This is not the kind of society that my parents envisaged when they immigrated from Poland long ago; this is not the society I dreamed of and fought for.

*Dr. Ohel teaches in the department of sociology and anthropology at Haifa University.*

## Dry Bones

## READERS' LETTERS

### AUTHOR OF TEMPLE SCROLL

*To the Editor of The Jerusalem Post*

Sir, — In your issue of August 28, you published a UPI report according to which Prof. Benzion of the Hebrew Union College at Cincinnati, "claims to have identified the author of the Temple Scroll."

The despatch reports that the alleged author, according to Wacholder "is a religious teacher named Zadok, considered the Founder of Essence sect."

May I draw the attention of your readers to a similar suggestion put forward by me in my publication of the Temple Scroll (Jerusalem, 1977, Vol. I P.302). This suggestion of mine, which was put forth as a possibility — was based on an interpretation of a passage in another Dead Sea Scroll, namely The Damascus Convenant.

I concluded my discussion, there, by saying:

"If one can indeed interpret thus the hint in The Damascus Covenant, then it means that the Sect has ascribed the "revelation" of the Scroll in question to Zadok, who is perhaps none other than the Founder of the Sect." Prof. Wacholder's apparent agreement with my suggestion strengthens its probability, although, by itself, it is not yet proof that my theory is correct.

*YIGAEL YADIN*

Jerusalem.

### SHOCKING EDITORIAL

*To the Editor of The Jerusalem Post*

Sir, — Using the success of the Shin Bet in the Sloma case to suggest that Jewish vigilante actions are condoned by the authorities (your editorial, Aug. 24) is shocking.

The Sloma case was solved only after eight months of investigation, so that it should in no way be compared to the much more recent bombing of mayors' cars, especially since the murders in Hebron, which also preceded it, have still not been solved.

The two soldiers who hid stolen explosives in the Old City of Jerusalem were not caught "red-handed," as you state, but after an investigation that was extremely rapid and efficient, which proves just the opposite of your thesis.

You complain that no progress has been made in the case of smashing of windshields in Ramallah, "although there was evidence pointing clearly to the participation of Gush Emunim settlers from Bet El."

But, then, you ought to be evenhanded enough to complain about the lack of progress in the many cases of windshield-breaking and rock-throwing by Arabs, where the evidence points equally clearly to certain refugee camps and villages.

And when you say that there are "many (Arabs) who still believe in peaceful co-existence with Israel, a sentiment which is still shared by a large section of the Arab population," I wonder what evidence you have for it. All we hear from all sources in the administered territories is that their identification with the PLO is total.

*DR. JACOB ROSIN*

Netanya.

### JERUSALEM MARCH

*To the Editor of The Jerusalem Post*

Sir, — We don't have enough money to care for the elderly. No money for housing or school rooms. The police lack manpower.

The prime minister who is also defence minister, asks, for

voluntary contributions from the worker, who is harassed by galloping inflation. This money is needed to boost the defence budget, which has been cut.

Now we hear that the Jerusalem March, which will cost millions, is to take place. Who needs it? The damage with the unfortunate Jerusalem Law has been done — a law that makes one think of a father adopting his own child.

*LISELOTTE NORDHEIMER*

Kfar Blalik.

★

Sir, — Does Mr. Begin really think that now is the right time to spend 5 million shekels for the Jerusalem March? Does he think that it will change the attitude of the many countries who raised their voice against the Jerusalem Law?

Netanya. *NOEMI GILLAD*

### THE JOYS OF LIVING IN ISRAEL

*To the Editor of The Jerusalem Post*

Sir, — Dr. Victor N. Low says (your issue of Aug. 19) that none of his Israeli neighbours in the various buildings in which he lived made them welcome. Our experience was so very different. Our very first Shabbat in Israel we received flowers from one neighbour, and the following week, in which Rosh Hashana fell, another neighbour gave us a home-baked cake and honey to sweeten the new year.

Low refers to Martha Meisels' article about the unsanitary conditions in many groceries and supermarkets. I read the same article and I was happy to learn that she found several clean places. I guess this is an example of the difference between an optimist and a pessimist.

Nowhere in Dr. Low's diatribe do we hear about the joys of living in Israel.

I, for one, am delighted that I was granted the privilege of coming to this country. I want to live in Israel because for a Jew it is the only place to live a full and complete life. My Jewishness is my strength — it is my burden, my past and my future. It is my hope and it is my joy. Its heritage and culture have shaped me and moulded me and I have the obligation and, yes, I feel the challenge to help to mould its future.

*HARRIS D. GULKO*

Jerusalem.

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